

1           **SECTION 156.** 218.01 (3) (a) 35. of the statutes is renumbered 218.0116 (1) (q)  
2 and amended to read:

3           218.0116 (1) (q) Being a manufacturer, factory branch or distributor who  
4 engages in any action which transfers to a motor vehicle dealer any responsibility of  
5 the manufacturer, factory branch or distributor under s. ~~218.015~~ 218.0171.

6           **SECTION 157.** 218.01 (3) (a) 36. (intro.) of the statutes is renumbered 218.0116  
7 (1) (qm) (intro.).

8           **SECTION 158.** 218.01 (3) (a) 36. a. of the statutes is renumbered 218.0116 (1)  
9 (qm) 1. and amended to read:

10           218.0116 (1) (qm) 1. Fails to notify the department of transportation of any  
11 revision or addition to an agreement as required under ~~sub. (2) (bd) 1.~~ s. 218.0114 (7)  
12 (a) 2.

13           **SECTION 159.** 218.01 (3) (a) 36. b. of the statutes is renumbered 218.0116 (1)  
14 (qm) 2. and amended to read:

15           218.0116 (1) (qm) 2. Fails to revise or remove portions of an agreement that the  
16 department of transportation declares to contain provisions which are inconsistent  
17 with ~~sub. (2) (bm)~~ s. 218.0114 (9).

18           **SECTION 160.** 218.01 (3) (a) 36. c. of the statutes is renumbered 218.0116 (1)  
19 (qm) 3. and amended to read:

20           218.0116 (1) (qm) 3. Requires or coerces a dealer or distributor to ~~execute~~ sign  
21 an agreement, as a condition of obtaining or continuing a franchise, that contains  
22 provisions that are void or prohibited under ~~sub. (2) (bm)~~ s. 218.0114 (9) or attempts  
23 to enforce an agreement with void or prohibited provisions.

24           **SECTION 161.** 218.01 (3) (a) 36. d. of the statutes is renumbered 218.0116 (1)  
25 (qm) 4. (intro.) and amended to read:

1           218.0116 (1) (qm) 4. (intro.) Requires or coerces a dealer or distributor to  
2     execute sign an agreement that requires arbitration as a condition of obtaining or  
3     continuing a franchise, unless the dealer or distributor has the option of signing an  
4     otherwise identical agreement without the arbitration provision or unless the  
5     agreement provides for arbitration on a case-by-case basis and only when both  
6     parties elect to refer the matter to arbitration. This ~~subd. 36. d.~~ subdivision does not  
7     apply to a manufacturer or distributor who enters into an agreement that creates a  
8     new franchise for a new line make of motor vehicle, if the each of the following is  
9     applicable:

10           a. The arbitration provision was the subject of good faith negotiations with a  
11     representative group of dealers, ~~and if each.~~

12           b. Each dealer voluntarily accepts the arbitration provision after receiving a  
13     franchise offering circular under s. 553.27 (4) that discloses the existence and effect  
14     of the arbitration provision, ~~and if the.~~

15           c. The manufacturer or dealer files a copy of the franchise offering circular and  
16     proof of good faith negotiation and voluntary acceptance of the arbitration with any  
17     filing required under ~~sub. (2) (bd) 1.~~ s. 218.0114 (7) (a).

18           **SECTION 162.** 218.01 (3) (a) 37. of the statutes is renumbered 218.0116 (1) (r)  
19     and amended to read:

20           218.0116 (1) (r) Being a manufacturer, distributor or importer who fails to  
21     designate in writing the area of sales responsibility assigned to a motor vehicle  
22     dealer or who changes or attempts to change an area of sales responsibility to avoid  
23     the requirements of ~~par. (f)~~ sub. (7).

24           **SECTION 163.** 218.01 (3) (a) 38. of the statutes is renumbered 218.0116 (1) (rm)  
25     and amended to read:

1           218.0116 (1) (rm) Being a grantor, as defined in ~~sub. (3r) (a) 2.~~ s. 218.0133 (1)  
2           (b), who fails to pay a motor vehicle dealer agreement termination benefits under  
3           ~~sub. (3r)~~ s. 218.0133.

4           **SECTION 164.** 218.01 (3) (a) 39. of the statutes is renumbered 218.0116 (1) (s)  
5           and amended to read:

6           218.0116 (1) (s) Being a manufacturer or distributor who modifies a motor  
7           vehicle dealer agreement during the term of the agreement or upon its renewal  
8           without complying with ~~par. (fm)~~ sub. (8).

9           **SECTION 165.** 218.01 (3) (a) 40. of the statutes is renumbered 218.0116 (1) (sm)  
10          and amended to read:

11          218.0116 (1) (sm) Having violated s. ~~218.017~~ 218.0172.

12          **SECTION 166.** 218.01 (3) (a) 41. of the statutes is renumbered 218.0116 (1) (t)  
13          and amended to read:

14          218.0116 (1) (t) Being a manufacturer, importer or distributor who compels a  
15          dealer, through a financing subsidiary of the manufacturer, importer or distributor,  
16          to agree to unreasonable operating requirements or who directly or indirectly cancels  
17          or fails to renew a dealer's franchise, except as allowed under ~~subs. (3) (a) 17. and (3n)~~  
18          par. (i) and s. 218.0132, through the actions of a financing subsidiary of the  
19          manufacturer, importer or distributor. This ~~subdivision~~ paragraph does not limit the  
20          right of a financing subsidiary to engage in business practices in accordance with the  
21          usages of the trade in which it is engaged.

22          **SECTION 167.** 218.01 (3) (a) 42. of the statutes is renumbered 218.0116 (1) (tm)  
23          and amended to read:

1           218.0116 (1) (tm) Being a licensee who wilfully refuses or fails to participate  
2   in mediation pursuant to a demand for mediation served under ~~sub. (7m) (a) s.~~  
3   218.0136 (1).

4           **SECTION 168.** 218.01 (3) (a) 43. of the statutes is renumbered 218.0116 (1) (u).

5           **SECTION 169.** 218.01 (3) (ag) of the statutes is renumbered 218.0116 (1g) and  
6   amended to read:

7           218.0116 (1g) (a) A license described in ~~sub. (2) (d) s. 218.0114 (14)~~ shall be  
8   denied, restricted, limited or suspended if the applicant or licensee is an individual  
9   who fails to comply, after appropriate notice, with a subpoena or warrant issued by  
10   the department of workforce development or a county child support agency under s.  
11   59.53 (5) and related to paternity or child support proceedings or who is delinquent  
12   in making court-ordered payments of child or family support, maintenance, birth  
13   expenses, medical expenses or other expenses related to the support of a child or  
14   former spouse, as provided in a memorandum of understanding entered into under  
15   s. 49.857.

16           (b) A license described in ~~par. (d) 1., 2., 3. or 5. s. 218.0114 (14) (a), (b), (c) or (e)~~  
17   shall be suspended or revoked if the department of revenue certifies under s. 73.0301  
18   that the applicant or licensee is liable for delinquent taxes.

19           (c) No provision of ~~this section ss. 218.0101 to 218.0163~~ that entitles an  
20   applicant or licensee to a notice or hearing applies to a denial, restriction, limitation,  
21   suspension or revocation of a license under this ~~paragraph subsection.~~

22           **SECTION 170.** 218.01 (3) (am) of the statutes is renumbered 218.0116 (1m) and  
23   amended to read:

24           218.0116 (1m) (a) A license described in ~~sub. (2) (dr) s. 218.0114 (16)~~ shall be  
25   denied if any of the ~~follow~~ following applies:

1           1. The applicant fails to provide the information required under ~~sub. (2) (ig) 1.~~  
2     s. 218.0114 (21g) (a).

3           2. The department of revenue certifies under s. 73.0301 that the applicant is  
4     liable for delinquent taxes. An applicant whose license is denied under this ~~subd. 1.~~  
5     ~~b. subdivision~~ for delinquent taxes is entitled to a notice under s. 73.0301 (2) (b) 1.  
6     b. and hearing under s. 73.0301 (5) (a) but is not entitled to any other notice or  
7     hearing under this ~~subsection~~ section.

8           3. The applicant is an individual who fails to comply, after appropriate notice,  
9     with a subpoena or warrant issued by the department of workforce development or  
10    a county child support agency under s. 59.53 (5) and related to paternity or child  
11    support proceedings or who is delinquent in making court-ordered payments of child  
12    or family support, maintenance, birth expenses, medical expenses or other expenses  
13    related to the support of a child or former spouse, as provided in a memorandum of  
14    understanding entered into under s. 49.857. An applicant whose application is  
15    denied under this ~~subd. 1. c. subdivision~~ is entitled to a notice and hearing under s.  
16    49.857 but is not entitled to any other notice or hearing under ~~this section ss.~~  
17    218.0101 to 218.0163.

18          (b) A license described in ~~sub. (2) (dr) s. 218.0114 (16)~~ shall be restricted or  
19    suspended if the licensee is an individual who fails to comply, after appropriate  
20    notice, with a subpoena or warrant issued by the department of workforce  
21    development or a county child support agency under s. 59.53 (5) and related to  
22    paternity or child support proceedings or who is delinquent in making court-ordered  
23    payments of child or family support, maintenance, birth expenses, medical expenses  
24    or other expenses related to the support of a child or former spouse, as provided in  
25    a memorandum of understanding entered into under s. 49.857. A licensee whose

1 license is restricted or suspended under this ~~subdivision~~ paragraph is entitled to a  
2 notice and hearing under s. 49.857 but is not entitled to any other notice or hearing  
3 under ~~this section~~ ss. 218.0101 to 218.0163.

4 (c) A license described in ~~sub. (2) (d)~~ s. 218.0114 (16) shall be revoked if the  
5 department of revenue certifies under s. 73.0301 that the licensee is liable for  
6 delinquent taxes. A licensee whose license is revoked under this ~~subdivision~~  
7 paragraph for delinquent taxes is entitled to a notice under s. 73.0301 (2) (b) 1. b. and  
8 hearing under s. 73.0301 (5) (a) but is not entitled to any other notice or hearing  
9 under this ~~subsection~~ section.

10 **SECTION 171.** 218.01 (3) (b) of the statutes is renumbered 218.0116 (2) and  
11 amended to read:

12 218.0116 (2) The licensor may without prior notice deny the application for a  
13 license within 60 days after receipt ~~thereof~~ of the application by written notice to the  
14 applicant, stating the grounds for ~~such~~ the denial. Within 30 days after ~~such~~  
15 receiving the notice, the applicant may petition the division of hearings and appeals  
16 to conduct a hearing to review the denial, and a hearing shall be scheduled with  
17 reasonable promptness.

NOTE: "[P]rior" is inserted to eliminate an internal inconsistency.

18 **SECTION 172.** 218.01 (3) (bf) of the statutes is renumbered 218.0116 (3) and  
19 amended to read:

20 218.0116 (3) (a) 1. Except as provided in subd. ~~1. b.~~ 2., the department of  
21 transportation shall not license an applicant as a dealer ~~an applicant~~ for the sale or  
22 lease of motor vehicles at retail unless ~~such~~ the applicant owns or leases a vehicle  
23 display lot and a permanent building ~~wherein~~ in which there are facilities to display  
24 motor vehicles and ~~facilities~~ to repair functional and nonfunctional parts of motor

1 vehicles ~~and~~, where replacement parts, repair tools and equipment to service motor  
2 vehicles are kept, and at which ~~place of business shall be kept and maintained~~ the  
3 books, records and files necessary to conduct the dealer's business shall be kept and  
4 maintained.

5 1m. A residence, tent or temporary stand is not a sufficiently permanent ~~place~~  
6 ~~of business building~~ within the meaning of ~~this paragraph~~ subd. 1.

7 2. The requirements in subd. 1. ~~a.~~ that an applicant own or lease a vehicle  
8 display lot and that the permanent building owned or leased by the applicant contain  
9 facilities to display motor vehicles do not apply to persons who are engaged only in  
10 the leasing of motor vehicles and who do not maintain an inventory of motor vehicles  
11 offered for lease.

12 (b) An approved service contract with an established repair shop having the  
13 repair parts and repair facilities specified in ~~subd. par. (a)~~ 1. shall serve in lieu of the  
14 applicant's owning or leasing the applicant's own repair facilities if ~~such~~ the service  
15 connection is within a reasonable distance from the applicant's place of business and  
16 if ~~such~~ the service connection guarantees in writing the making of the repairs or  
17 replacements ordered by the dealer.

18 (c) This ~~paragraph~~ subsection does not apply to persons who deal only in  
19 mopeds or motor bicycles.

20 **SECTION 173.** 218.01 (3) (c) of the statutes is renumbered  
21 218.0116 (4) and amended to read:

22 218.0116 (4) (a) No license may be suspended or revoked except after a hearing  
23 ~~thereon on the possible suspension or revocation.~~ Except as provided in ~~subd. 2. par.~~  
24 (b), the licensor shall give the licensee at least 5 days' notice of the time and place of  
such the hearing, and ~~the.~~ The order suspending or revoking ~~such the~~ license shall

1 not be effective until after 10 days' written notice ~~thereof of the order~~ to the licensee,  
2 after ~~such~~ the hearing under this paragraph has been ~~had~~ held.

3 (b) When in the licensor's opinion the best interest of the public or the trade  
4 demands it, for conduct or under circumstances specified in ~~this section ss. 218.0101~~  
5 to 218.0163 or in rules promulgated by the licensor, the licensor may suspend a  
6 license upon not less than 24 hours' notice of hearing and with not less than 24 hours'  
7 notice of the suspension of the license.

8 (c) Matters involving suspensions or revocations brought before the  
9 department of transportation shall be heard and decided upon by the division of  
10 hearings and appeals. If the department of transportation requests the division of  
11 hearings and appeals to hear a matter brought before the department of  
12 transportation under ~~subd. 2, par. (b)~~, the division of hearings and appeals shall hear  
13 and decide the matter within 30 days after the date of the department of  
14 transportation's request.

15 **SECTION 174.** 218.01 (3) (d) of the statutes is renumbered 218.0116 (5) and  
16 amended to read:

17 218.0116 (5) The licensor may inspect the pertinent books, records, letters and  
18 contracts of a licensee and shall determine the cost of an examination. The cost of  
19 an examination shall be paid by ~~such~~ the licensee so examined within 30 days after  
20 demand ~~therefor~~ for the examination by the licensor, ~~and the~~. The licensor may  
21 maintain an action for the recovery of ~~such~~ the costs of the examination in any court  
22 of competent jurisdiction.

23 **SECTION 175.** 218.01 (3) (e) of the statutes is renumbered 218.0116 (6) and  
24 amended to read:



1           218.0116 (6) If a licensee is a firm, corporation or limited liability company, it  
2 shall be sufficient cause for the denial, suspension or revocation of a license that any  
3 officer, director, trustee or manager of the firm, corporation or limited liability  
4 company, or any member in case of a partnership, has been guilty of any act or  
5 omission which would be cause for refusing, suspending or revoking a license to ~~such~~  
6 that party as an individual. Each licensee shall be responsible for the acts of any or  
7 all of his or her salespersons while acting as his or her agent, if the licensee approved  
8 of or had knowledge of the acts or other similar acts and after ~~such approval~~  
9 approving of or obtaining knowledge of the acts retained the benefit, proceeds, profits  
10 or advantages accruing from the acts or otherwise ratified the acts.

11           **SECTION 176.** 218.01 (3) (f) 1. of the statutes is renumbered 218.0116 (7) (a) 1.  
12 and amended to read:

13           218.0116 (7) (a) 1. A manufacturer, importer or distributor who seeks to enter  
14 into a franchise agreement establishing or relocating a motor vehicle dealership,  
15 parts outlet or service outlet within the relevant market area of an existing  
16 enfranchised dealer of the line make of motor vehicle shall first notify, in writing, the  
17 department of transportation and ~~each such~~ that existing enfranchised dealer of its  
18 intention to establish or relocate a dealership or outlet. Within 30 days of receiving  
19 the notice or within 30 days after the end of any appeal procedure provided by the  
20 manufacturer, importer or distributor, whichever is later, any existing enfranchised  
21 dealer of the same line make to whom the manufacturer, importer or distributor is  
22 required to give notice under this ~~subdivision~~ paragraph may file with the  
23 department of transportation and the division of hearings and appeals a complaint  
24 protesting the proposed establishment or relocation of the dealership or outlet within  
25 the relevant market area of the existing enfranchised dealer.

1       2. If a complaint is filed under subd. 1., the department of transportation shall  
2 inform the manufacturer, importer or distributor that a timely complaint has been  
3 filed, that a hearing is required, and that the proposed franchise agreement may not  
4 be entered into until the division of hearings and appeals has held a hearing, nor  
5 thereafter, if the division of hearings and appeals determines that there is good cause  
6 for not permitting the proposed establishment or relocation of the dealership or  
7 outlet. In the event of multiple complaints, hearings shall be consolidated to expedite  
8 the disposition of the issue.

9       **SECTION 177.** 218.01 (3) (f) 2. of the statutes is renumbered 218.0116 (7) (b), and  
10 218.0116 (7) (b) 8., as renumbered, is amended to read:

11       218.0116 (7) (b) 8. The effect the denial of ~~such~~ the proposed establishment or  
12 relocation would have on the license applicant, dealer or outlet operator who is  
13 seeking to establish or relocate a dealership or outlet.

14       **SECTION 178.** 218.01 (3) (f) 3. of the statutes is renumbered 218.0116 (7) (c).

15       **SECTION 179.** 218.01 (3) (f) 4. (intro.) of the statutes is renumbered 218.0116  
16 (7) (d) (intro.) and amended to read:

17       218.0116 (7) (d) (intro.) For purposes of this ~~paragraph~~ subsection:

18       **SECTION 180.** 218.01 (3) (f) 4. a. of the statutes is renumbered 218.0116 (7) (d)  
19 1h. and amended to read:

20       218.0116 (7) (d) 1h. The reopening or replacement of a dealership or outlet that  
21 has been closed for less than 2 years, at the original location or within 2 miles of the  
22 original location by the closest highway route, is not the establishment of a motor  
23 vehicle dealership or outlet, unless the location is within 4 miles, by the closest  
24 highway route, of another franchised dealer of the same line make and is closer to  
25 that dealer than the closed dealership or outlet. ~~In this subd. 4. a., "closed" means~~

1 ~~the effective date of the termination or expiration of the dealership's or outlet's~~  
2 ~~license or franchise, whichever is earlier.~~

3 1m. The reopening or replacement of a dealership or outlet that has been closed  
4 for less than 2 years at a location other than the original location and other than a  
5 location within 2 miles of the original location by the closest highway route, but  
6 within the area of sales responsibility that had been assigned to the closed dealership  
7 or outlet by the manufacturer, importer or distributor is not the establishment of a  
8 motor vehicle dealership or outlet, unless the new location is within 6 miles, by the  
9 closest highway route, of another franchised dealer of the same line make and is  
10 closer to that dealer than the closed dealership or outlet.

11 1q. The reopening or replacement of a dealership or outlet that has been closed  
12 for 2 or more years or that is at a location outside of the area of sales responsibility  
13 that had been assigned to the closed dealership or outlet by the manufacturer,  
14 importer or distributor is the establishment of a dealership or outlet.

NOTE: The definition of "closed" is recreated by this bill as s. 218.0116 (7) (d) 1d. for  
proper placement consistent with current style.

15 **SECTION 181.** 218.01 (3) (f) 4. b. of the statutes is renumbered 218.0116 (7) (d)  
16 2.

17 **SECTION 182.** 218.01 (3) (f) 4. c. of the statutes is renumbered 218.0116 (7) (d)  
18 3. and amended to read:

19 218.0116 (7) (d) 3. The establishment or relocation of a service or parts outlet  
20 requires that notice be given under ~~subd. 1. par. (a)~~ to existing enfranchised dealers  
21 who are otherwise entitled to receive ~~such~~ notice under par. (a) and who are  
22 authorized to perform work to rectify product or warranty defects or delivery and  
23 preparation obligations on the same line make as the proposed service outlet or to

1 use a trade name, trademark or service mark that is also proposed to be used by the  
2 proposed service or parts outlet, except that the establishment or relocation of a  
3 service or parts outlet that is owned and operated by a motor vehicle dealership  
4 enfranchised by the manufacturer, importer or distributor requires that notice be  
5 given only to existing dealers who are otherwise entitled to receive ~~such~~ notice under  
6 par. (a) and who hold a franchise to sell the same line make as the dealership that  
7 will own and operate the proposed service or parts outlet.

8 **SECTION 183.** 218.01 (3) (f) 4. d. of the statutes is renumbered 218.0116 (7) (d)  
9 4. and amended to read:

10 218.0116 (7) (d) 4. A manufacturer's, importer's or distributor's authorization  
11 of a fleet owner to perform warranty or delivery and preparation work only on the  
12 fleet owner's own vehicles is not the establishment of a service outlet. In this ~~subd.~~  
13 4. d., "fleet subdivision:"

14 a. "Fleet owner" means a person who owns for its own use or for the use of others  
15 10 or more motor vehicles of the current or preceding model year manufactured or  
16 sold by the manufacturer, importer or distributor who is authorizing the warranty  
17 work to be performed, ~~except that "fleet.~~

18 b. "Fleet owner" does not include persons engaged in the business of leasing  
19 motor vehicles to individual consumers.

20 **SECTION 184.** 218.01 (3) (f) 4. e. of the statutes is renumbered 218.0116 (7) (d)  
21 5.

22 **SECTION 185.** 218.01 (3) (fm) of the statutes is renumbered 218.0116 (8).

23 **SECTION 186.** 218.01 (3) (g) of the statutes is renumbered 218.0116 (9) and  
24 amended to read:

1           218.0116 (9) Any person in interest aggrieved by a decision of the division of  
2   hearings and appeals or an order of the division of banking may have a review thereof  
3   of the decision as provided in ch. 227.

4           **SECTION 187.** 218.01 (3) (h) of the statutes is renumbered 218.0116 (10) and  
5   amended to read:

6           218.0116 (10) In addition to the licensor's authority to deny, suspend or revoke  
7   a license under ~~this section~~ ss. 218.0101 to 218.0163, the division of banking, after  
8   public hearing, may issue a special order enjoining any licensee from engaging in any  
9   act or practice which is determined by the division of banking to be in violation of any  
10   provision of ~~par. (a)~~ sub. (1), and the division of hearings and appeals may be  
11   petitioned to issue such a special order after notice and hearing thereon.

12          **SECTION 188.** 218.01 (3a) (title) of the statutes is renumbered 218.0117 (title).

13          **SECTION 189.** 218.01 (3a) (a) of the statutes is renumbered 218.0117 (1) and  
14   amended to read:

15          218.0117 (1) If a dealer, distributor or manufacturer is convicted under s.  
16   341.55 (1) a ~~second~~ 2nd or subsequent time within the same registration year, the  
17   department of transportation shall revoke the license of ~~such the~~ dealer, distributor  
18   or manufacturer for a period not to exceed one year. For the purposes of this  
19   ~~paragraph~~ subsection, the conviction of ~~the~~ an employe of a dealer, distributor or  
20   manufacturer shall be counted as a conviction of the employer.

21          **SECTION 190.** 218.01 (3a) (b) of the statutes is renumbered 218.0117 (2) and  
22   amended to read:

23          218.0117 (2) If a transporter is convicted under s. 341.55 (3) a 2nd or  
24   subsequent time within the same license period, the department of transportation  
25   shall revoke the license of ~~such the~~ transporter for a period not to exceed one year.

1       **SECTION 191.** 218.01 (3a) (c) of the statutes is renumbered 218.0117 (3) and  
2 amended to read:

3       218.0117 (3) A dealer, distributor, manufacturer or transporter whose license  
4 has been revoked shall ~~forthwith~~ immediately surrender its registration plates to a  
5 traffic officer or peace officer designated by the department of transportation. A  
6 dealer, distributor, manufacturer or transporter who fails to return the plates as  
7 required by this ~~subsection~~ section may be fined not more than \$200 or imprisoned  
8 for not more than 6 months or both.

NOTE: "(F)orthwith" is replaced with "immediately" and "for" is added for constancy  
with current style.

9       **SECTION 192.** 218.01 (3a) (d) of the statutes is renumbered 218.0117 (4).

10       **SECTION 193.** 218.01 (3c) (title) of the statutes is renumbered 218.0131 (title).

11       **SECTION 194.** 218.01 (3c) (b) of the statutes is renumbered 218.0131 (1) and  
12 amended to read:

13       218.0131 (1) Any designated family member of a deceased or incapacitated  
14 dealer shall have the right to succeed ~~such~~ the deceased or incapacitated dealer in *plain*  
15 the ownership or operation of the dealership under the existing franchise agreement  
16 ~~provided if~~ the designated family member gives the manufacturer, factory branch or  
17 distributor written notice of his or her intention to do so within 120 days of the  
18 dealer's death or incapacity ~~and~~, unless there exists good cause for refusal to honor  
19 ~~such~~ the succession on the part of the manufacturer, factory branch or distributor.  
20 The manufacturer, factory branch or distributor may request, and the designated  
21 family member shall provide, ~~such~~ personal and financial data ~~as is~~ that are  
22 reasonably necessary to determine whether the succession should be honored.

1           **SECTION 195.** 218.01 (3c) (c) of the statutes is renumbered 218.0131 (2) and  
2 amended to read:

3           218.0131 (2) If a manufacturer, factory branch or distributor believes it has  
4 good cause for refusing to honor the succession to the ownership and operation of a  
5 dealership by a family member of a deceased or incapacitated dealer under the  
6 existing franchise agreement, ~~such~~ the manufacturer, factory branch or distributor  
7 may, within 30 days of receipt of notice of the designated family member's intent to  
8 succeed the dealer in the ownership and operation of the dealership, serve upon ~~such~~  
9 the designated family member and the department of transportation notice of its  
10 refusal to honor the succession and of its intent to discontinue the existing franchise  
11 agreement with the dealership no sooner than 60 days from the date ~~such~~ the notice  
12 is served. ~~Such~~ The notice shall state the specific grounds for the refusal to honor  
13 the succession and the discontinuance of the franchise agreement. If no notice of  
14 ~~such~~ refusal and discontinuance is timely served upon the family member and  
15 department of transportation, or if the division of hearings and appeals rules in favor  
16 of the complainant in a hearing held under ~~par. (d)~~ sub. (3), the franchise agreement  
17 shall continue in effect subject to termination only in the manner prescribed in this  
18 subchapter.

19           **SECTION 196.** 218.01 (3c) (d) of the statutes is renumbered 218.0131 (3) (a) and  
20 amended to read:

21           218.0131 (3) (a) Any designated family member who receives a notice of the  
22 manufacturer's, factory branch's or distributor's refusal to honor his or her  
23 succession to the ownership and operation of the dealership may, within the 60-day  
24 notice period, serve on the respondent and file in triplicate with the division of  
25 hearings and appeals a verified complaint for a hearing and determination by the

1 division of hearings and appeals on whether good cause exists for ~~such~~ the  
2 manufacturer's, factory branch's or distributor's refusal and discontinuance. The  
3 division of hearings and appeals shall forward a copy of the complaint to the  
4 department of transportation.

5 (b) The manufacturer, factory branch or distributor shall, at the hearing held  
6 under par. (a), have the burden of establishing good cause for ~~such~~ its refusal by  
7 showing that the succession would be detrimental to the public interest or to the  
8 representation of the manufacturer, factory branch or distributor. The franchise  
9 agreement shall continue in effect until the final determination of the issues raised  
10 in ~~such~~ the complaint.

11 (c) If the complainant prevails at the hearing held under par. (a), he or she shall  
12 have a cause of action against the defendant manufacturer, factory branch or  
13 distributor for reasonable expenses and attorney fees incurred in ~~such~~ the matter.  
14 If the manufacturer, factory branch or distributor prevails, the division of hearings  
15 and appeals shall include in its order approving the termination of the franchise  
16 agreement such conditions as are reasonable and adequate to afford the complainant  
17 an opportunity to receive fair and reasonable compensation for the value of the  
18 dealership.

19 **SECTION 197.** 218.01 (3c) (e) of the statutes is renumbered 218.0131 (4) and  
20 amended to read:

21 218.0131 (4) Nothing in this ~~subsection~~ section shall prevent a dealer, during  
22 the dealer's lifetime, from designating any person as his or her successor dealer by  
23 written instrument filed with the manufacturer, factory branch or distributor.

24 **SECTION 198.** 218.01 (3n) (title) of the statutes is renumbered 218.0132 (title).



1           **SECTION 199.** 218.01 (3n) (a) of the statutes is renumbered 218.0132 (1) (a) and  
2 amended to read:

3           218.0132 (1) (a) For purposes of ~~sub. (3) (a) 17. s. 218.0116 (1) (i)~~, the  
4 termination, cancellation or discontinuation of a motor vehicle line make will be  
5 considered to be the cancellation or failure to renew the franchise of a motor vehicle  
6 dealer or distributor of that line make even if that line make is part of an agreement  
7 that includes other line makes ~~but~~.

8           **(b)** Notwithstanding par. (a), a manufacturer, importer or distributor may  
9 change, add or delete models, specifications, model names, numbers or identifying  
10 marks or similar characteristics of motor vehicles that it markets without effecting  
11 a cancellation or failure to renew a franchise.

12           **SECTION 200.** 218.01 (3n) (b) (intro.) of the statutes is renumbered 218.0132 (2)  
13 (intro.) and amended to read:

14           218.0132 (2) (intro.) The cancellation or nonrenewal of a franchise shall not be  
15 a violation of ~~sub. (3) (a) 17. s. 218.0116 (1) (i)~~ if all of the following requirements are  
16 met:

17           **SECTION 201.** 218.01 (3n) (b) 1. of the statutes is renumbered 218.0132 (2) (a).

18           **SECTION 202.** 218.01 (3n) (b) 2. of the statutes is renumbered 218.0132 (2) (b).

19           **SECTION 203.** 218.01 (3n) (b) 3. of the statutes is renumbered 218.0132 (2) (c)  
20 and amended to read:

21           218.0132 (2) (c) If the franchisee is a motor vehicle dealer, the dealer receives  
22 the termination benefits under ~~sub. (3r) s. 218.0133~~.

23           **SECTION 204.** 218.01 (3n) (b) 4. (intro.) of the statutes is renumbered 218.0132  
24 (2) (d) (intro.).

1           **SECTION 205.** 218.01 (3n) (b) 4. a. of the statutes is renumbered 218.0132 (2)  
2           (d) 1.

3           **SECTION 206.** 218.01 (3n) (b) 4. b. of the statutes is renumbered 218.0132 (2)  
4           (d) 2. and amended to read:

5           218.0132 (2) (d) 2. Compensates the dealer or distributor for the actual  
6           pecuniary loss caused by the franchise cancellation or nonrenewal. In determining  
7           the actual pecuniary loss, the value of any continued service or parts business  
8           available to the dealer or distributor for the line make covered by the franchise shall  
9           be considered. If the dealer or distributor and the manufacturer, importer or  
10          distributor cannot agree on the amount of compensation to be paid under this subd.  
11          4. ~~b.~~ subdivision, either may file a declaratory judgment action in a court of  
12          competent jurisdiction.

13          **SECTION 207.** 218.01 (3n) (b) 4. c. of the statutes is renumbered 218.0132 (2)  
14          (d) 3. and amended to read:

15          218.0132 (2) (d) 3. Establishes, in a proceeding brought by the dealer or  
16          distributor alleging that the cancellation or nonrenewal violates ~~sub. (3) (a) 17. s.~~  
17          218.0116 (1) (i), that the continued distribution of the line make in the United States  
18          would cause it economic loss and that, after the effective date of the franchise  
19          cancellation or nonrenewal, neither the manufacturer, importer or distributor nor  
20          any owner, assignee or licensee of the trademarks or service marks used for the  
21          purpose of designating, making known or distinguishing the line make covered by  
22          the franchise will use the trademarks or service marks, either alone or in conjunction  
23          with other marks, in designating, making known or distinguishing any line make of  
24          motor vehicle sold or distributed in the United States.

1           **SECTION 208.** 218.01 (3n) (b) 4. d. of the statutes is renumbered 218.0132 (2)  
2           (d) 4. (intro.) and amended to read:

3           218.0132 (2) (d) 4. (intro.) If the franchise relates to a line make that is sold or  
4           distributed in less than 13 states of the United States, establishes, in a proceeding  
5           brought by the dealer or distributor alleging that the cancellation or nonrenewal  
6           violates ~~sub. (3) (a) 17., that s. 218.0116 (1) (i) all of the following:~~

7           a. That the continued distribution of the line make in this state would cause  
8           it economic loss ~~and that,~~

9           b. That after the effective date of the franchise cancellation or nonrenewal,  
10          neither the manufacturer, importer or distributor nor any owner, assignee or licensee  
11          of the trademarks or service marks used for the purpose of designating, making  
12          known or distinguishing the line make covered by the franchise will use ~~such~~ those  
13          trademarks or service marks, either alone or in conjunction with other marks, in  
14          designating, making known or distinguishing any line make of motor vehicle sold or  
15          distributed in this state, except that, if the line make covered by the franchise has  
16          been first distributed in this state less than 2 years before the effective date of the  
17          cancellation or nonrenewal, ~~such~~ those trademarks and service marks may be used  
18          in this state after 6 years from the effective date of the cancellation or nonrenewal.

19          **SECTION 209.** 218.01 (3n) (b) 4. e. of the statutes is renumbered 218.0132 (2)  
20          (d) 5. (intro.) and amended to read:

21          218.0132 (2) (d) 5. (intro.) Establishes, in a proceeding brought by the dealer  
22          or distributor alleging that the cancellation or nonrenewal violates ~~sub. (3) (a) 17.,~~  
23          ~~that s. 218.0116 (1) (i) all of the following:~~

24          a. That the continued distribution of the line make in this state is prohibited  
25          by law or by an order of a court or agency with jurisdiction to issue the order ~~and that,~~

1        b. That the continued distribution of the line make in this state cannot be made  
2 to comply with the law or order through the reasonable efforts of the manufacturer,  
3 importer or distributor ~~and that,~~

4        c. That after the effective date of the franchise cancellation or nonrenewal,  
5 neither the manufacturer, importer or distributor nor any owner, assignee or licensee  
6 of the trademarks or service marks used for the purpose of designating, making  
7 known or distinguishing the line make covered by the franchise will use such those  
8 trademarks or service marks, either alone or in conjunction with other marks, in  
9 designating, making known or distinguishing any comparable line make of motor  
10 vehicle sold or distributed in this state.

11        **SECTION 210.** 218.01 (3r) (title) of the statutes is renumbered 218.0133 (title).

12        **SECTION 211.** 218.01 (3r) (a) (intro.) of the statutes is renumbered 218.0133 (1)  
13 (intro.) and amended to read:

14        218.0133 (1) (intro.) In this ~~subsection~~ section:

15        **SECTION 212.** 218.01 (3r) (a) 1. of the statutes is renumbered 218.0133 (1) (a).

16        **SECTION 213.** 218.01 (3r) (a) 2. of the statutes is renumbered 218.0133 (1) (b).

17        **SECTION 214.** 218.01 (3r) (b) 1. of the statutes is renumbered 218.0133 (2) (a)  
18 and amended to read:

19        218.0133 (2) (a) Except as provided in ~~par. (e) sub. (5)~~ and subject to ~~par. (e) sub.~~  
20 (3), when a grantor or motor vehicle dealer terminates, cancels or does not renew an  
21 agreement a grantor shall pay a motor vehicle dealer all of the termination benefits  
22 under ~~subds. 2. to 5. pars. (b) to (e).~~

23        **SECTION 215.** 218.01 (3r) (b) 2. of the statutes is renumbered 218.0133 (2) (b)  
24 1. (intro.) and amended to read:

1           218.0133 (2) (b) 1. (intro.) A grantor shall repurchase from the motor vehicle  
2 dealer any unsold new motor ~~vehicles~~ vehicle that ~~have~~ meets all of the following  
3 criteria:

4           a. The motor vehicle has not been structurally modified by a motor vehicle  
5 dealer, ~~that have.~~

6           b. The motor vehicle has not been operated more than 300 miles for  
7 manufacturer's tests, predelivery tests and motor vehicle dealer exchange in  
8 addition to operation required for motor vehicle delivery from the grantor ~~and that~~  
9 ~~the.~~

10           c. The motor vehicle dealer was acquired as part of the motor vehicle dealer's  
11 original inventory or ~~acquired~~ from the grantor or from another motor vehicle dealer  
12 of the same line make ~~and~~ who acquired the motor vehicle from the grantor. ~~In~~  
13 ~~addition, a~~

14           2. A grantor may not be required to repurchase a motor vehicle under this  
15 ~~subdivision~~ paragraph unless the date on the original dealer invoice is within 12  
16 months of the date on which the motor vehicle dealer terminates, cancels or does not  
17 renew an agreement or is within 18 months of the date on which the grantor  
18 terminates, cancels or does not renew an agreement.

19           3. The repurchase price for a new motor vehicle shall be the motor vehicle  
20 invoice price from the grantor, plus destination, delivery or distribution charges and  
21 sales taxes incurred by the motor vehicle dealer, less allowances paid or credited to  
22 the motor vehicle dealer by the grantor. A grantor may subtract from a new motor  
23 vehicle repurchase price an amount equal to the diminution in wholesale value  
24 caused by damages to a new motor vehicle before the motor vehicle dealer delivers  
25 the new motor vehicle to the grantor.

1           **SECTION 216.** 218.01 (3r) (b) 3. of the statutes is renumbered 218.0133 (2) (c) 1.  
2 (intro.) and amended to read:

3           218.0133 (2) (c) 1. (intro.) A grantor shall repurchase from the motor vehicle  
4 dealer any unused, undamaged and unsold parts and accessories and unopened  
5 appearance and maintenance materials and paints ~~that~~ if those items meet all of the  
6 following criteria:

7           a. The items are in the motor vehicle dealer's inventory or subject to a  
8 noncancelable order to the grantor on the effective date of the termination,  
9 cancellation or nonrenewal, ~~that~~ and are in original packaging, or, if sheet metal or  
10 body panels, ~~that~~ are in a comparable substitute for original packaging, ~~and that the,~~

11           b. The items were acquired by the motor vehicle dealer ~~acquired~~ from the  
12 grantor or from ~~its~~ the motor vehicle dealer's predecessor motor vehicle dealer ~~if and~~  
13 ~~the parts, accessories and materials and paints~~ items are listed for sale in the  
14 grantor's price schedules in effect on the effective date of the termination,  
15 cancellation or nonrenewal ~~or,~~ the items are part of the motor vehicle dealer's  
16 original inventory acquired from the grantor or ~~are~~ the items were acquired by the  
17 motor vehicle dealer from the grantor within 4 years before the effective date of the  
18 termination, cancellation or nonrenewal. ~~However, a~~

19           2. A grantor may not be required to repurchase items that are not listed for sale  
20 in the grantor's price schedules in effect on the effective date of the termination,  
21 cancellation or nonrenewal if, within 2 years before the effective date of the  
22 termination, cancellation or nonrenewal, the grantor permitted a motor vehicle  
23 dealer to return obsolete parts and accessories, or a reasonable percentage of parts  
24 and accessories, for an amount that is equal to or greater than the price at which

1 those items were listed for sale, less any allowances, at the time the return was  
2 permitted.

3       3. The repurchase price for parts, accessories ~~and~~, materials and paints  
4 repurchased under subd. 1. shall be the price at which those items are listed for sale  
5 in the grantor's price schedules in effect on the effective date of the termination,  
6 cancellation or nonrenewal, or, if an item is not listed, the motor vehicle dealer's  
7 original invoice cost, plus destination, delivery or distribution charges, and sales  
8 taxes incurred by the motor vehicle dealer, less allowances paid or credited to the  
9 motor vehicle dealer by the grantor. If a motor vehicle dealer inventories, handles  
10 and packages repurchased items for delivery to the grantor, the grantor shall  
11 reimburse the motor vehicle dealer an additional amount equal to 2% of the  
12 repurchase price under this ~~subdivision~~ paragraph.

13       **SECTION 217.** 218.01 (3r) (b) 4. of the statutes is renumbered 218.0133 (2) (d).

14       **SECTION 218.** 218.01 (3r) (b) 5. of the statutes is renumbered 218.0133 (2) (e).

15       **SECTION 219.** 218.01 (3r) (c) of the statutes is renumbered 218.0133 (3) and  
16 amended to read:

17       218.0133 (3) (a) The grantor shall provide a list of the motor vehicles, parts,  
18 accessories, materials and paints, signs, tools, equipment and furnishings that the  
19 motor vehicle dealer is authorized to return to the grantor within 30 days after the  
20 grantor receives a written inventory of the property that the motor vehicle dealer  
21 intends to return or within 30 days after the effective date of the termination,  
22 cancellation or nonrenewal, whichever is later. Within 60 days after the property is  
23 actually returned by the motor vehicle dealer to the grantor, f.o.b. dealership  
24 facilities, the grantor shall pay the motor vehicle dealer the reimbursement amount  
25 under ~~par. (b) 2. to 5. sub. (2) (b) to (e)~~, except that the grantor may apply the

1 reimbursement amount first to pay any amount owed by the motor vehicle dealer to  
2 the grantor.

3 (b) If a repurchase price under ~~par. (b)~~ sub. (2) depends on a purchase date or  
4 original cost or includes an associated cost, the motor vehicle dealer shall have the  
5 burden of proving by documentary evidence the purchase date, original cost or  
6 associated cost.

7 **SECTION 220.** 218.01 (3r) (d) 1. of the statutes is renumbered 218.0133 (4) (a)  
8 and amended to read:

9 218.0133 (4) (a) Except as provided in ~~par. (e)~~ sub. (5) and subject to ~~subd. 4.~~  
10 par. (d), when a grantor terminates, cancels or does not renew an agreement a  
11 grantor shall, upon request, pay a motor vehicle dealer the termination benefits  
12 under ~~subd. 2. or 3. par. (b) or (c).~~ If a motor vehicle dealer receives benefits under  
13 ~~subd. 2. or 3. par. (b) or (c)~~, the grantor shall be entitled to the possession and use of  
14 the dealership facilities for the period that the termination benefits payment covers.

15 **SECTION 221.** 218.01 (3r) (d) 2. of the statutes is renumbered 218.0133 (4) (b).

16 **SECTION 222.** 218.01 (3r) (d) 3. of the statutes is renumbered 218.0133 (4) (c).

17 **SECTION 223.** 218.01 (3r) (d) 4. of the statutes is renumbered 218.0133 (4) (d)  
18 and amended to read:

19 218.0133 (4) (d) ~~Subdivisions 2. and 3. Paragraphs (b) and (c)~~ apply only to  
20 dealership facilities that are used in performing sales and service obligations under  
21 an agreement before the motor vehicle dealer receives notice of the termination,  
22 cancellation or nonrenewal of the agreement.

23 **SECTION 224.** 218.01 (3r) (e) 1. (intro.) of the statutes is renumbered 218.0133  
24 (5) (a) (intro.) and amended to read:



1           218.0133 (5) (a) (intro.) ~~Paragraphs (b) and (d)~~ Subsections (2) and (4) do not  
2    apply to any of the following:

3           **SECTION 225.** 218.01 (3r) (e) 1. a. of the statutes is renumbered 218.0133 (5) (a)  
4    1.

5           **SECTION 226.** 218.01 (3r) (e) 1. b. of the statutes is renumbered 218.0133 (5) (a)  
6    2.

7           **SECTION 227.** 218.01 (3r) (e) 1. c. of the statutes is renumbered 218.0133 (5) (a)  
8    3.

9           **SECTION 228.** 218.01 (3r) (e) 1. d. of the statutes is renumbered 218.0133 (5) (a)  
10   4.

11          **SECTION 229.** 218.01 (3r) (e) 1. e. of the statutes is renumbered 218.0133 (5) (a)  
12   5. and amended to read:

13          218.0133 (5) (a) 5. A motor vehicle dealer who terminates, cancels or fails to  
14    renew an agreement to sell motor homes, as defined in s. 340.01 (33m), unless a court,  
15    a licensor or the division of hearings and appeals determines that the grantor has not  
16    acted in good faith or has materially violated the agreement or a provision of ~~this~~  
17    ~~section~~ ss. 218.0101 to 218.0163 and determines that the motor vehicle dealer has  
18    not acted in bad faith or has not violated the agreement or a provision of ~~this section~~  
19    ss. 218.0101 to 218.0163.

20          **SECTION 230.** 218.01 (3r) (e) 1. f. of the statutes is renumbered 218.0133 (5) (a)  
21   6.

22          **SECTION 231.** 218.01 (3r) (e) 2. of the statutes is renumbered 218.0133 (5) (b)  
23   and amended to read:

1       218.0133 (5) (b) ~~Paragraph (b)~~ Subsection (2) does not apply to a motor vehicle  
2 dealer who is unable to convey clear title to property under ~~par. (b) 2. to 5. sub. (2)~~  
3 (b) to (e) on the date on which the grantor takes delivery of the property.

4       **SECTION 232.** 218.01 (3r) (e) 3. of the statutes is renumbered 218.0133 (5) (c)  
5 and amended to read:

6       218.0133 (5) (c) ~~Paragraph (b)~~ Subsection (2) does not apply to property under  
7 ~~par. (b) 2. to 5. sub. (2) (b) to (e)~~ that is acquired by a motor vehicle dealer from another  
8 motor vehicle dealer if the property is acquired after the motor vehicle dealer receives  
9 or gives notice of termination, cancellation or nonrenewal or if the property was  
10 acquired other than in the ordinary course of the motor vehicle dealer's business.

11       **SECTION 233.** 218.01 (3r) (e) 4. of the statutes is renumbered 218.0133 (5) (d)  
12 and amended to read:

13       218.0133 (5) (d) ~~Paragraph (d)~~ Subsection (4) does not apply if a grantor  
14 terminates, cancels or fails to renew an agreement in compliance with ~~sub. (3) (a) 17.~~  
15 s. 218.0116 (1) (i), unless the primary ground for termination, cancellation or  
16 nonrenewal is inadequate sales performance by the motor vehicle dealer.

17       **SECTION 234.** 218.01 (3r) (f) of the statutes is renumbered 218.0133 (6) and  
18 amended to read:

19       218.0133 (6) (a) This ~~subsection~~ section does not restrict the right of a motor  
20 vehicle dealer to pursue any other remedy available against a grantor who  
21 terminates, cancels or does not renew an agreement.

22       (b) A grantor may not make the termination benefits payments under ~~par. (b)~~  
23 ~~or (d)~~ sub. (2) or (4) contingent on the motor vehicle dealer releasing or waiving any  
24 rights, claims or remedies.

25       **SECTION 235.** 218.01 (3x) (title) of the statutes is renumbered 218.0134 (title).

1       **SECTION 236.** 218.01 (3x) (a) of the statutes is renumbered 218.0134 (1) and  
2 amended to read:

3       218.0134 (1) In this ~~subsection~~ section, “affected grantor” means a  
4 manufacturer on direct dealerships, a distributor on indirect dealerships or an  
5 importer on direct dealerships that has entered into an agreement with a motor  
6 vehicle dealer and that is directly affected by an action proposed to be undertaken  
7 by the dealer under this ~~subsection~~ section.

8       **SECTION 237.** 218.01 (3x) (b) of the statutes is renumbered 218.0134 (2) and  
9 amended to read:

10       218.0134 (2) (a) If a motor vehicle dealer’s agreement with an affected grantor  
11 requires the grantor’s prior approval of an action proposed to be undertaken by the  
12 dealer under this ~~subsection~~ section, a dealer may not voluntarily change its  
13 ownership or executive management, transfer its dealership assets to another  
14 person, add another franchise at the same location as its existing franchise or  
15 relocate a franchise without giving prior written notice of the proposed action to the  
16 affected grantor and to the department of transportation. Within 20 days after  
17 receiving the notice, the affected grantor may serve the dealer with a written list of  
18 the information not already known or in the possession of the grantor that is  
19 reasonably necessary in order for the grantor to determine whether the proposed  
20 action should be approved. The grantor shall, in good faith, confirm in writing to the  
21 dealer the date on which it has received from the dealer or from other sources all the  
22 information specified on the list.

23       (b) An affected grantor who does not approve of the proposed action shall,  
24 within 30 days after receiving the dealer’s written notice of the proposed action or  
25 within 30 days after receiving all the information specified in a written list served

1 on the dealer under ~~subd. 1. par. (a)~~, whichever is later, file with the department of  
2 transportation and serve upon the dealer a written statement of the reasons for its  
3 disapproval. The reasons given for the disapproval or any explanation of those  
4 reasons by the manufacturer, distributor or importer shall not subject the  
5 manufacturer, distributor or importer to any civil liability unless the reasons given  
6 or explanations made are malicious and published with the sole intent to cause harm  
7 to the dealer or a transferee of the dealer. Failure to file and serve a statement within  
8 the applicable period shall, notwithstanding the terms of any agreement, constitute  
9 approval of the proposed action by the grantor. If an affected grantor files a written  
10 statement within the applicable period, the dealer may not voluntarily undertake  
11 the proposed action unless it receives an order permitting it to do so from the division  
12 of hearings and appeals under ~~par. (c) 2. sub. (3) (b)~~.

13 (c) A dealer who is served with a written statement by an affected grantor under  
14 ~~subd. 2. par. (b)~~ may file with the department of transportation and the division of  
15 hearings and appeals and serve upon the affected grantor a complaint for the  
16 determination of whether there is good cause for permitting the proposed action to  
17 be undertaken. The division of hearings and appeals shall promptly schedule a  
18 hearing and decide the matter. The proposed action may not be undertaken pending  
19 the determination of the matter.

20 **SECTION 238.** 218.01 (3x) (c) of the statutes is renumbered 218.0134 (3).

21 **SECTION 239.** 218.01 (3x) (d) (intro.) of the statutes is renumbered 218.0134 (4)  
22 (intro.) and amended to read:

23 218.0134 (4) (intro.) This ~~subsection~~ section does not apply to:

24 **SECTION 240.** 218.01 (3x) (d) 1. of the statutes is renumbered 218.0134 (4) (a).

1           **SECTION 241.** 218.01 (3x) (d) 2. of the statutes is renumbered 218.0134 (4) (b)  
2 and amended to read:

3           218.0134 (4) (b) A proposed action that would require an affected grantor to  
4 give notice under ~~sub. (3) (f) 1. s. 218.0116 (7) (a)~~, except that the dealer must have  
5 the affected grantor's written approval before undertaking any such proposed action.

6           **SECTION 242.** 218.01 (3x) (d) 3. (intro.) of the statutes is renumbered 218.0134  
7 (4) (c) (intro.).

8           **SECTION 243.** 218.01 (3x) (d) 3. a. of the statutes is renumbered 218.0134 (4)  
9 (c) 1.

10           **SECTION 244.** 218.01 (3x) (d) 3. b. of the statutes is renumbered 218.0134 (4)  
11 (c) 2. (intro.) and amended to read:

12           218.0134 (4) (c) 2. (intro.) The proposed change of ownership or transfer of  
13 dealership assets does not involve the transfer of assets or the transfer or issuance  
14 of stock by the dealer or one or more dealer owners to one or more immediate family  
15 members of one or more dealer owners or to a qualifying member of the dealer's  
16 management or to a partnership, limited liability company or corporation controlled  
17 by such those persons. In this ~~subd. 3. b.~~, "immediate subdivision:"

18           a. "Immediate family member" means the spouse, child, grandchild, spouse of  
19 a child or grandchild, brother, sister or parent of the dealer owner; ~~and "qualifying~~.

20           b. "Qualifying member of the dealer's management" means an individual who  
21 has been employed by the dealer for at least 2 years and who otherwise qualifies as  
22 a dealer operator.

23           **SECTION 245.** 218.01 (3x) (d) 3. c. of the statutes is renumbered 218.0134 (4) (c)  
24 3. and amended to read:

1           218.0134 (4) (c) 3. The affected grantor agrees to pay the reasonable expenses,  
2 including reasonable attorney fees that do not exceed the usual, customary and  
3 reasonable fees charged for similar work done for other clients, incurred by the  
4 proposed new owner or transferee before the grantor's exercise of its right of first  
5 refusal in negotiating and implementing the contract for the proposed change of  
6 ownership or transfer of dealership assets. Notwithstanding this ~~subd. 3. e.~~  
7 subdivision, no payment of expenses and attorney fees shall be required if the dealer  
8 has not submitted or caused to be submitted an accounting of those expenses within  
9 7 days after the dealer's receipt of the affected grantor's written request for an  
10 accounting.

11           **SECTION 246.** 218.01 (3x) (d) 4. of the statutes is renumbered 218.0134 (4) (d).

12           **SECTION 247.** 218.01 (4) of the statutes is renumbered 218.0151 and amended  
13 to read:

14           **218.0151 Advisory committee.** The licensor may appoint annually one or  
15 more local advisory committees and one general advisory committee, each consisting  
16 of not more than 9 members. The committees upon request of the licensor may advise  
17 and assist the licensor in the administration of ~~this section~~ ss. 218.0101 to 218.0163.  
18 The members of ~~said~~ the committees shall receive no compensation for their services  
19 or expenses.

20           **SECTION 248.** 218.01 (5) (title) of the statutes is renumbered 218.0152 (title).

21           **SECTION 249.** 218.01 (5) (a) of the statutes is renumbered 218.0152 (1) and  
22 amended to read:

23           218.0152 (1) The licensor shall promote the interests of retail buyers and  
24 lessees of motor vehicles relating to default, delinquency, repossession or collection  
25 charges and the refund of the finance charge and insurance premium on prepayment

1 of the instalment contract or consumer lease. It may define unfair practices in the  
2 motor vehicle industry and trade between licensees or between any licensees and  
3 retail buyers, lessees or prospective lessees of motor vehicles, but may not limit the  
4 price at which licensees may sell, assign or transfer receivables, contracts or other  
5 evidence of any obligation arising out of an instalment sale or consumer lease made  
6 under ~~this section ss. 218.0101 to 218.0163.~~

7 **SECTION 250.** 218.01 (5) (b) 1. of the statutes is renumbered 218.0152 (2) (a)  
8 (intro.) and amended to read:

9 218.0152 (2) (a) (intro.) The division of banking, department of transportation  
10 and division of hearings and appeals shall have the power in hearings arising under  
11 this chapter to ~~determine~~ do all of the following:

12 1. Determine the place, in this state, where ~~they~~ the hearings shall be held; ~~to~~  
13 ~~subpoena.~~

14 2. Subpoena witnesses and documents; ~~to take.~~

15 3. Take and permit the taking of depositions of witnesses residing in or outside  
16 of this state and to otherwise permit the discovery and preservation of evidence  
17 before hearing, in the manner provided for in civil actions in courts of record; ~~to pay~~  
18 ~~such.~~

19 4. Pay the witnesses described in subd. 2 the fees and mileage for their  
20 attendance ~~as is~~ that are provided for witnesses in civil actions in courts of record;  
21 ~~and to administer.~~

22 5. Administer oaths.

23 **SECTION 251.** 218.01 (5) (b) 2. of the statutes is renumbered 218.0152 (2) (b) and  
24 amended to read:

1           218.0152 (2) (b) If the licensor has reason to believe that a violation of ~~this~~  
2   section ss. 218.0101 to 218.0163 has occurred, the licensor may issue subpoenas to  
3   compel the attendance of persons to be examined or the production of materials  
4   regarding the violation. Subpoenas shall be issued and served in accordance with  
5   ch. 885.

6           **SECTION 252.** 218.01 (5) (b) 3. of the statutes is renumbered 218.0152 (2) (c) and  
7   amended to read:

8           218.0152 (2) (c) A person providing information under this ~~paragraph~~  
9   subsection may request that the information be designated as a trade secret, as  
10   defined in s. 134.90 (1) (c), or as confidential business information. The division of  
11   hearings and appeals or licensor shall approve the designation if the person  
12   providing the information demonstrates that the release of the information would  
13   adversely affect the person's competitive position. At least 15 days before any  
14   information designated as a trade secret or as confidential business information is  
15   disclosed to any other person, the division of hearings and appeals or licensor shall  
16   notify the person providing the information. The person providing the information  
17   may seek a court order limiting or prohibiting the disclosure. ~~In such cases, in which~~  
18   case the court shall weigh the need for confidentiality of the information against the  
19   public interest in disclosure. Confidentiality is waived if the person providing the  
20   information consents in writing to disclosure.

21           **SECTION 253.** 218.01 (5) (c) of the statutes is renumbered 218.0152 (3) and  
22   amended to read:

23           218.0152 (3) The licensor may ~~make promulgate~~ such rules and regulations as  
24   ~~it shall deem as it considers~~ necessary or proper for the effective administration and  
25   enforcement of ~~this section~~ ss. 218.0101 to 218.0163, but no licensee shall be subject



1 to examination or audit by the licensor except as provided in sub. (3) (d) s. 218.0116  
2 (5).

3 **SECTION 254.** 218.01 (5m) (title) of the statutes is renumbered 218.0141 (title).

4 **SECTION 255.** 218.01 (5m) (a) of the statutes is renumbered 218.0141 and  
5 amended to read:

6 **218.0141** No contract for the sale of a motor vehicle shall contain a clause  
7 which, upon nonacceptance of the vehicle by the buyer, would subject the buyer to  
8 a penalty greater than 5 ~~per cent~~ percent of the cash price of the vehicle.

9 **SECTION 256.** 218.01 (6) (title) of the statutes is renumbered 218.0142 (title).

10 **SECTION 257.** 218.01 (6) (a) of the statutes is renumbered 218.0142 (1).

11 **SECTION 258.** 218.01 (6) (b) of the statutes is renumbered 218.0142 (2) (a)  
12 (intro.) and amended to read:

13 218.0142 (2) (a) (intro.) Prior to or concurrent with any instalment sale, the  
14 seller shall deliver to the buyer a written statement clearly describing ~~clearly the all~~  
15 of the following:

16 1. The motor vehicle sold to the buyer, ~~the~~.

17 2. The cash sale price, ~~the~~.

18 3. The cash paid down by the buyer, ~~the~~.

19 4. The amount credited the buyer for any trade-in and a.

20 5. A description of the <sup>trade-in, the</sup> cost to the retail buyer of any insurance, ~~the~~.

21 6. The amount financed, which may include the cost of insurance, and sales and  
22 use taxes, ~~the~~.

23 7. The amount of the finance charge, ~~the~~.

24 8. The amount of any other charge specifying its purpose, ~~the~~.

25 9. The total of payments due from the buyer, ~~the~~.

1        10. The terms of the payment of such the total, the of payments due from the  
2        buyer.

3        11. The amount and date of each payment necessary finally to pay the total and  
4        a finally.

5        12. A summary of any insurance coverage to be effected.

6        (b) The division of banking may determine the form of the statement required  
7        under par. (a).

8        (c) If a written order is taken from a prospective purchaser in connection with  
9        any instalment sale, the written statement described in par. (a) shall be given to the  
10       purchaser prior to or concurrent with the signing of the order by the purchaser.

11       **SECTION 259.** 218.01 (6) (bp) of the statutes is renumbered 218.0142 (3).

12       **SECTION 260.** 218.01 (6) (c) of the statutes is renumbered 218.0142 (4) and  
13       amended to read:

14       218.0142 (4) An exact copy of the instalment sale contract and any note or notes  
15       given in connection therewith with the contract shall be furnished by the seller to the  
16       buyer at the time the buyer signs such the contract. The buyer's copy of the contract  
17       shall contain the signature of the seller identical with the signature on the original  
18       contract. No contract shall be signed in blank except that a detailed description of  
19       the motor vehicle including the serial number or other identifying marks of the  
20       vehicle sold which are not available at the time of execution of such the contract may  
21       be filled in before final delivery of the motor vehicle.

22       **SECTION 261.** 218.01 (6) (d) of the statutes is renumbered 218.0142 (5) and  
23       amended to read:

24       218.0142 (5) A violation of par. (a), (b) or (bp) sub. (1), (2) or (3) bars recovery  
25       of any finance charge by the seller, or an assignee of the seller who, at the time of the

1 assignment, had knowledge of the violation, in any suit upon a sales contract arising  
2 from the sale where the violation occurred.

3 **SECTION 262.** 218.01 (6) (e) of the statutes is renumbered 218.0142 (6) (a)  
4 (intro.) and amended to read:

5 218.0142 (6) (a) (intro.) Prior to 30 days after acquisition of any retail  
6 instalment contract from a retail seller, every finance company shall ~~mail~~ do all of  
7 the following:

8 1. Mail or deliver to the retail buyer a written notice that ~~it~~ the finance company  
9 has acquired the retail instalment contract from the retail seller, ~~and shall also mail.~~

10 2. Mail or cause to be mailed with the notice described in subd. 1. a statement  
11 of the particulars of the retail instalment contract price required under ~~par. (b)~~ sub.  
12 (2) to be stated by the retail seller, in accordance with the finance company's records  
13 respecting ~~such~~ the particulars of the retail instalment contract, including the  
14 amount of the finance charge.

15 (b) Every finance company, if insurance is provided by ~~it~~ the finance company,  
16 shall also within the 30 days after acquisition of the retail instalment contract send  
17 or cause to be sent to the retail buyer a policy of insurance clearly setting forth the  
18 exact nature of the insurance coverage and the amount of the premiums, each stated  
19 separately, which shall be filed with the commissioner of insurance in accordance  
20 with ch. 625. The cancellation and rewriting of any ~~such~~ policy provided by the  
21 finance company shall comply with the requirements of s. 631.69.

22 **SECTION 263.** 218.01 (6) (em) of the statutes is renumbered 218.0142 (7) and  
23 amended to read:

24 218.0142 (7) In the event that the dealer shall finance the instalment sale  
25 contract, the division of banking may permit the dealer to combine the information

1 required by ~~pars. (b) and (c) last above~~ subs. (2) and (6) in one statement under such  
2 rules ~~and regulations as that~~ the division of banking may from time to time ~~prescribe~~  
3 promulgate.

NOTE: Modernizes language in accordance with current drafting style and usage.

4 **SECTION 264.** 218.01 (6) (f) of the statutes is renumbered 218.0142 (8) and  
5 amended to read:

6 218.0142 (8) Any retail buyer of a motor vehicle, ~~resident in the state of~~  
7 ~~Wisconsin, at the time of purchase,~~ under a retail instalment contract, who is a  
8 resident of this state at the time of purchase shall have a valid defense in any action  
9 or proceeding at law to enforce ~~said the~~ contract by any finance company that is not  
10 licensed ~~hereunder~~ and which has purchased or otherwise acquired ~~such the~~  
11 contract, if ~~such the~~ finance company has wilfully failed or refused to comply with  
12 ~~par. (c) sub. (6)~~.

13 **SECTION 265.** 218.01 (6) (g) of the statutes is renumbered 218.0142 (9) (intro.)  
14 and amended to read:

15 218.0142 (9) (intro.) Any retail buyer of a motor vehicle, ~~resident of the state~~  
16 ~~of Wisconsin at the time of purchase,~~ under a retail instalment contract made in this  
17 state, who is a resident of this state at the time of purchase shall have a valid defense  
18 against the recovery of the principal, finance charge and other fees included in the  
19 contract, in any action or proceeding at law to enforce the contract by any person who  
20 has purchased or otherwise acquired the contract, if all of the following are true:

21 (a) The person who acquired the contract has failed or refused prior to the  
22 purchase or acquisition to be licensed as a sales finance company under ~~this section,~~  
23 ~~and the ss. 218.0101 to 218.0163.~~

1           **(b) The person who acquired the contract** is actually engaged in business, in  
2 whole or in part as a sales finance company.

3           **SECTION 266.** 218.01 (6) (h) of the statutes is renumbered 218.0142 (10) and  
4 amended to read:

5           218.0142 (10) All transactions which constitute consumer transactions (s.  
6 421.301 (13)) are subject to chs. 421 to 427, in addition to ~~this section~~ ss. 218.0101  
7 to 218.0163.

8           **SECTION 267.** 218.01 (6) (k) of the statutes is renumbered 218.0142 (11) and  
9 amended to read:

10           218.0142 (11) This ~~subsection~~ section does not apply to a retail instalment sale  
11 of a motor vehicle made on or after November 1, 1981, if the motor vehicle is to be used  
12 primarily for business or commercial purposes and not for the buyer's personal,  
13 family or household use.

14           **SECTION 268.** 218.01 (6m) of the statutes is renumbered 218.0143 and amended  
15 to read:

16           **218.0143 Notice of insurance to buyer under instalment sales contract.**

17           (1) Whenever a person sells or agrees to sell any motor vehicle at retail under a retail  
18 instalment contract ~~wherein provision is made~~ provides for insurance coverage, or  
19 a charge is made ~~therefor, such~~ for insurance coverage, the policy so issued or  
20 provided for, shall include public liability coverage protecting the driver of ~~such the~~  
21 motor vehicle against damages resulting from the negligent use thereof or of the  
22 vehicle.

23           (2) Whenever a person sells or agrees to sell any motor vehicle at retail under  
24 a retail instalment contract which does not provide for insurance coverage the seller  
25 shall, in writing, notify the buyer at the time of making ~~such the retail instalment~~

1 contract that the motor vehicle is not covered by public liability insurance protecting  
2 the driver against damages resulting from the negligent use ~~thereof~~ of the vehicle.

3 (3) The seller shall obtain, on a form separate from the retail instalment  
4 contract, the signed acknowledgment of the buyer that he or she has been notified  
5 that the contract does or does not include ~~such public liability~~ insurance protecting  
6 the driver against damages resulting from the negligent use of the vehicle.

7 **SECTION 269.** 218.01 (6x) of the statutes is renumbered 218.0144, and 218.0144  
8 (4), as renumbered, is amended to read:

9 218.0144 (4) A prospective lessor may cancel a prelease agreement that, with  
10 regard to the lease terms disclosed in the prelease agreement, is contingent upon  
11 approval of the prospective lessee's credit by a sales finance company to whom the  
12 prospective lessor intends to assign the consumer lease, if the prelease agreement  
13 contains a provision requiring the prospective lessor to give the prospective lessee  
14 written notice of ~~such~~ the cancellation within 10 business days of execution of the  
15 prelease agreement and the notice is given to the prospective lessee.

16 **SECTION 270.** 218.01 (7) of the statutes is renumbered 218.0145 and amended  
17 to read:

18 **218.0145 Prohibited acts.** (1) No manufacturer of ~~motor vehicles, no~~  
19 wholesaler or distributor of ~~motor vehicles~~, and no officer, agent or representative of  
20 ~~either a manufacturer, wholesaler or distributor~~, shall induce or coerce, or attempt  
21 to induce or coerce, any retail motor vehicle dealer or prospective retail motor vehicle  
22 dealer in this state to sell, assign or transfer any retail instalment sales contract,  
23 obtained by ~~such~~ the dealer in connection with the sale by the dealer in this state of  
24 motor vehicles manufactured or sold by ~~such~~ the manufacturer, wholesaler or  
25 distributor, to a specified sales finance company or class of ~~such~~ sales finance

1 companies, or to any other specified person, by any of the following acts or means  
2 ~~hereinafter set forth, namely:~~

3 (a) By any express or implied statement, suggestion, promise or threat, made  
4 directly or indirectly, that ~~such~~ the manufacturer, wholesaler or distributor will in  
5 any manner benefit or injure ~~such~~ the dealer, ~~whether such statement, suggestion,~~  
6 ~~threat or promise is express or implied, or made directly or indirectly.~~

7 (b) By any act that will benefit or injure ~~such~~ the dealer.

8 (c) By any contract, or any express or implied offer of contract, made directly  
9 or indirectly to ~~such~~ the dealer, for handling ~~such~~ motor vehicles manufactured or  
10 sold by the manufacturer, wholesaler or distributor, on the condition that ~~such~~ the  
11 dealer sell, assign or transfer the dealer's retail instalment ~~contract thereon~~  
12 contracts on motor vehicles manufactured or sold by the manufacturer, wholesaler  
13 or distributor, in this state, to a specified sales finance company or class of ~~such~~ sales  
14 finance companies, or to any other specified person.

15 (d) By any express or implied statement or representation, made directly or  
16 indirectly, that ~~such~~ the dealer is under any obligation ~~whatsoever~~ to sell, assign or  
17 transfer any of the dealer's retail sales contracts, in this state, on motor vehicles  
18 manufactured or sold by ~~such~~ the manufacturer, wholesaler or distributor to ~~such~~ a  
19 sales finance company, or class of sales finance companies, or other specified person,  
20 because of any relationship or affiliation between ~~such~~ the manufacturer, wholesaler  
21 or distributor and ~~such~~ the sales finance company or companies or ~~such~~ the specified  
22 person or persons.

23 (2) Any ~~such~~ statements, threats, promises, acts, contracts or offers of  
24 contracts, set forth in ~~par. (a)~~ sub. (1) are declared unfair trade practices and unfair  
25 competition and against the policy of this state, are unlawful and are prohibited.

1           (3) No sales finance company, and no officer, agent or representative thereof  
2     ~~of a sales finance company~~, shall induce or coerce or attempt to induce or coerce any  
3     retail motor vehicle dealer to transfer to ~~such the~~ sales finance company any of the  
4     ~~dealer's~~ retail instalment sales contracts in this state of ~~such dealer~~ on any motor  
5     vehicle by any of the following acts or means, ~~namely~~:

6           (a) By any statement or representation, express or implied, made directly or  
7     indirectly, that the manufacturer, wholesaler or distributor of ~~such the~~ motor  
8     vehicles will grant ~~such the~~ dealer a franchise to handle ~~such the manufacturer's,~~  
9     ~~wholesaler's or distributor's~~ motor vehicles if ~~such the~~ dealer ~~shall will~~ sell, assign  
10    or transfer all or part of such retail sales contracts to such sales finance company.

11          (b) By any statement or representation, express or implied, made directly or  
12    indirectly, that the manufacturer, wholesaler or distributor of ~~such motor vehicles~~  
13    will in any manner benefit or injure ~~such the~~ dealer if ~~such the~~ dealer ~~shall does~~ or  
14    ~~shall does~~ not sell, assign or transfer all or part of ~~such the dealer's~~ retail sales  
15    contracts to ~~such the~~ sales finance company.

16          (c) By an express or implied statement or representation made directly or  
17    indirectly, that there is an express or implied obligation on the part of ~~such the~~ dealer  
18    to so sell, assign or transfer all or part of ~~such the dealer's~~ retail sales contracts on  
19    ~~such the manufacturer's, wholesaler's or distributor's~~ motor vehicles to ~~such the~~  
20    sales finance company because of any relationship or affiliation between ~~such the~~  
21    sales finance company and the manufacturer, wholesaler or distributor of ~~such motor~~  
22    vehicles.

23          (4) Any ~~such statement~~ statements or representations set forth in ~~par. (c) sub.~~  
24    (3) are declared to be unfair trade practices ~~and~~, unfair competition and against the  
25    policy of this state, and are unlawful and are prohibited.



1           (5) Any retail motor vehicle dealer who, pursuant to any inducement,  
2 statement, promise or threat ~~hereinbefore~~ declared unlawful under this section,  
3 shall sell, assign or transfer any or all of the dealer's retail instalment contracts shall  
4 not be guilty of any unlawful act and may be compelled to testify to each such  
5 unlawful act.

6           (6) No manufacturer shall directly or indirectly pay or give, or contract to pay  
7 or give, anything of service or value to any sales finance company licensee in this  
8 state, and no ~~such~~ sales finance company licensee in this state shall accept or receive  
9 or contract or agree to accept or receive directly or indirectly any payment or thing  
10 of service of or value from any manufacturer, if the effect of the payment or the giving  
11 of any such the thing of service or value by the manufacturer, or the acceptance or  
12 receipt ~~thereof~~ of the payment or thing of service or value by the sales finance  
13 company licensee, may be to lessen or eliminate competition or tend to grant an  
14 unfair trade advantage or create a monopoly in the sales finance company licensee  
15 ~~who accepts or receives the payment, thing or service of value or contracts or agrees~~  
16 ~~to accept or receive the same.~~

NOTE: Manufacturer, wholesaler and distributor are defined under s. 218.0101, as  
renumbered by this bill, as manufacturer, wholesalers and distributors of motor vehicles.  
Redundant and superfluous language is deleted.

17           **SECTION 271.** 218.01 (7a) of the statutes is renumbered 218.0146.

18           **SECTION 272.** 218.01 (7b) (title) of the statutes is renumbered 218.0147 (title).

19           **SECTION 273.** 218.01 (7b) of the statutes is renumbered 218.0147 (1) and  
20 amended to read:

21           218.0147 (1) No minor ~~shall~~ may purchase or lease any motor vehicle unless  
22 the minor, at the time of purchase or lease, submits to the seller or lessor a statement  
23 verified before a person authorized to administer oaths and made and signed by

1 either parent of the purchaser or lessee, if ~~such~~ the signing parent has custody of the  
2 minor or, if neither parent has custody, then by the person having custody, setting  
3 forth that the purchaser or lessee has consent to purchase or lease the vehicle. The  
4 signature on the statement shall not impute any liability for the purchase price of  
5 the motor vehicle or for any payments under the consumer lease to the consenting  
6 person. The statement shall not adversely affect any other arrangement for the  
7 assumption of liability for the purchase price or any lease payments which the  
8 consenting person may make.

9 (2) If a motor vehicle is purchased by a minor, the signed statement described  
10 in sub. (1) shall accompany the application for a certificate of title and shall be filed  
11 by the department of transportation with the application. Failure to obtain the  
12 consent or to forward it, together with the application for a certificate of title in the  
13 event of the purchase of a motor vehicle, shall not void the contract of sale or  
14 consumer lease of a motor vehicle in the hands of an innocent holder, without notice,  
15 for value and in the ordinary course of business.

16 (3) Any person who sells or leases a motor vehicle to a minor with knowledge  
17 of ~~such~~ that fact without procuring ~~such a~~ the statement described in sub. (1) may  
18 be fined not more than \$200 or imprisoned for not more than 6 months or both.

19 **SECTION 274.** 218.01 (7m) (title) of the statutes is renumbered 218.0136 (title).

20 **SECTION 275.** 218.01 (7m) (a) of the statutes is renumbered 218.0136 (1) and  
21 amended to read:

22 218.0136 (1) A licensee may not file a complaint or petition with the division  
23 of hearings and appeals or bring an action under ~~sub. (9) (a)~~ s. 218.0163 (1), based  
24 on an alleged violation of ~~this section~~ ss. 218.0101 to 218.0163 by any other licensee  
25 or pursuant to ~~sub. (3) (f) or (fm), (3e) or (3x)~~ under s. 218.0116 (7) or (8), 218.0131

1     or 218.0134, unless the licensee serves a demand for mediation upon the other  
2     licensee before or contemporaneous with the filing of the complaint or petition or the  
3     bringing of the action. A demand for mediation shall be in writing and served upon  
4     the other licensee by certified mail at an address designated for that licensee in the  
5     licensor's records. The demand for mediation shall contain a brief statement of the  
6     dispute and the relief sought by the licensee filing the demand.

7             **SECTION 276.** 218.01 (7m) (b) of the statutes is renumbered 218.0136 (2).

8             **SECTION 277.** 218.01 (7m) (c) of the statutes is renumbered 218.0136 (3) and  
9     amended to read:

10            218.0136 (3) The service of a demand for mediation under ~~par. (a)~~ sub. (1) shall  
11     stay the time for the filing of any complaint or petition with the division of hearings  
12     and appeals or for bringing an action under ~~sub. (9) (a)~~ s. 218.0163 (1), based on an  
13     alleged violation of ~~this section~~ ss. 218.0101 to 218.0163 by the other licensee or  
14     ~~pursuant to sub. (3) (f) or (fm), (3e) or (3x)~~ under s. 218.0116 (7) or (8), 218.0131 or  
15     218.0134, until the representatives of both licensees have met with a mutually  
16     selected mediator for the purpose of attempting to resolve the dispute. If a complaint  
17     or petition is filed before the meeting, the division of hearings and appeals or the  
18     court shall enter an order suspending the proceeding or action until the meeting has  
19     occurred and may, upon the written stipulation of all parties to the proceeding or  
20     action that they wish to continue to mediate under this ~~subsection~~ section, enter an  
21     order suspending the proceeding or action for as long a period as the division of  
22     hearings and appeals or court considers to be appropriate. A suspension order issued  
23     under this ~~paragraph~~ subsection may be revoked upon motion of any party or upon  
24     motion of the division of hearings and appeals or the court.

1       **SECTION 278.** 218.01 (7m) (d) of the statutes is renumbered 218.0136 (4) and  
2 amended to read:

3       218.0136 (4) The licensor shall encourage licensees under this ~~subsection~~  
4 section to establish, maintain and administer a panel of mediators who have the  
5 character, ability and training to serve as mediators and who have knowledge of the  
6 motor vehicle industry.

7       **SECTION 279.** 218.01 (7r) of the statutes is renumbered 218.0137 and amended  
8 to read:

9       **218.0137 Arbitration of disputes between licensees.** A manufacturer,  
10 importer or distributor and a dealer may agree to submit a dispute arising under a  
11 franchise agreement or under ~~this section~~ ss. 218.0101 to 218.0163 to binding  
12 arbitration. Unless agreed otherwise in an agreement that complies with ~~subs. (2)~~  
13 ~~(bm) 2. and (3) (a) 36. d.~~ ss. 218.0114 (9) (b) and 218.0116 (1) (qm) 4., any arbitration  
14 proceeding shall be voluntary, initiated by serving a written demand for arbitration  
15 on the other party, and shall be conducted under the provisions of the state of  
16 Wisconsin arbitration plan administered by representatives of the licensees.

17       **SECTION 280.** 218.01 (7t) of the statutes is renumbered 218.0138 and amended  
18 to read:

19       **218.0138 Immunity and presumption of good faith.** A mediator or  
20 arbitrator is immune from civil liability for any good faith act or omission within the  
21 scope of the mediator's or arbitrator's performance of his or her powers and duties  
22 under ~~sub. (7m) s. 218.0136~~ or the arbitration plan referred to in ~~sub. (7r) s. 218.0137~~.  
23 Every act or omission of a mediator or arbitrator is presumed to be a good faith act  
24 or omission. This presumption may be overcome only by clear and convincing  
25 evidence.

1           **SECTION 281.** 218.01 (8) of the statutes is renumbered 218.0161 and amended  
2 to read:

3           **218.0161 Penalties.** Except for sub. (3) (a) ~~1., 3., 6., 7., 11., 12., 13., 20., 25.,~~  
4 ~~29. and 30.~~ s. 218.0116 (1) (a), (b), (cm), (d), (f), (fm), (g), (jm), (m), (o) and (om), and  
5 except for violations for sub. (2) (a), (2a), (3a) (e) ~~or (7b)~~ s. 218.0114 (1), 218.0117 (3),  
6 218.0119 or 218.0147, any person violating ~~this section~~ ss. 218.0101 to 218.0163 may  
7 be required to forfeit not less than \$25 nor more than \$500 for each violation.

8           **SECTION 282.** 218.01 (8m) of the statutes is renumbered 218.0162 and amended  
9 to read:

10           **218.0162 Commencement of action.** Upon the request of the licensor, the  
11 department of justice or the district attorney may commence an action in the name  
12 of the state to recover a forfeiture under ~~sub. (8)~~ s. 218.0161. An action under ~~sub.~~  
13 ~~(8)~~ s. 218.0161 shall be commenced within 3 years after the occurrence of the  
14 unlawful act or practice which is the subject of the action.

15           **SECTION 283.** 218.01 (9) of the statutes is renumbered 218.0163 and amended  
16 to read:

17           **218.0163 Civil damages.** (1) Without exhausting any administrative remedy  
18 available under an agreement or ~~this section~~ ss. 218.0101 to 218.0163, except as  
19 provided in sub. (3) (f) and (fm) s. 218.0116 (7) and (8), a licensee may recover  
20 damages in a court of competent jurisdiction for pecuniary loss, together with actual  
21 costs including a reasonable attorney fee fees, if the pecuniary loss is caused by any  
22 of the following:

23           (a) A violation by any other licensee of ~~sub. (3) (a) 4., 11., 15., 16., 17., 22., 23.,~~  
24 ~~24., 26., 32., 35., 36., 37., 38., 39., 40., 41. or 43.~~ s. 218.0116 (1) (bm), (f), (h), (hm), (i),  
25 (km), (L), (Lm), (mm), (pm), (q), (qm), (r), (rm), (s), (sm), (t) or (u).

1 (b) Any unfair practice found by a licensor or the division of hearings and  
2 appeals under ~~sub. (5) (a)~~ s. 218.0152 (1).

3 (1m) If a court finds that a violation or practice described in ~~par. (a) 1. or 2. sub.~~  
4 (1) (a) or (b) is wilful, a licensee shall recover damages in an amount equal to 3 times  
5 the pecuniary loss, together with actual costs including reasonable attorney fees.

6 (2) Any retail buyer, lessee or prospective lessee suffering pecuniary loss  
7 because of a violation by a licensee of ~~sub. (3) (a) 4., 5., 6., 8., 9., 10., 11., 18., 25. or~~  
8 31. s. 218.0116 (1) (bm), (c), (cm), (dm), (e), (em), (f), (im), (m) or (p) may recover  
9 damages for the loss in any court of competent jurisdiction together with costs,  
10 including reasonable attorney fees.

11 **SECTION 284.** 218.0116 (1) (i) 1. of the statutes is created to read:

12 218.0116 (1) (i) 1. (intro.) In this paragraph:

13 a. "Due regard to the equities" means treatment in enforcing an agreement that  
14 is fair and equitable to a motor vehicle dealer or distributor and that is not  
15 discriminatory compared to similarly situated dealers or distributors.

16 b. "Just provocation" means a material breach by a motor vehicle dealer or  
17 distributor, due to matters within the dealer's or distributor's control, of a reasonable  
18 and necessary provision of an agreement and the breach is not cured within a  
19 reasonable time after written notice of the breach has been received from the  
20 manufacturer, importer or distributor.

NOTE: Recreates definitions previously contained in s. 218.01 (3) (a) 17., for proper  
placement consistent with current style.

21 **SECTION 285.** 218.0116 (1) (im) 1. of the statutes is created to read:

22 218.0116 (1) (im) 1. In this paragraph, "bushing" means:

1           a. With respect to an order or contract of purchase, the practice of increasing  
2           the selling price of a motor vehicle above that originally quoted the purchaser as  
3           evidenced by a purchase order or contract which has been signed by both the  
4           purchaser and dealer licensee.

5           b. With respect to a consumer lease or prelease agreement, the practice of  
6           increasing the gross capitalized cost above that originally quoted the lessee or  
7           prospective lessee as evidenced by a consumer lease or prelease agreement which has  
8           been signed by both the lessee or prospective lessee and the dealer licensee.

NOTE: Recreates a definition previously contained in s. 218.01 (3) (a) 18., for proper  
placement consistent with current style. The former text referred to "this section", the  
only occurrence of the term "bushing" is in this statutory subunit. As a result, "section"  
is replaced by "paragraph".

9           **SECTION 286.** 218.0116 (7) (d) 1d. of the statutes is created to read:

10           218.0116 (7) (d) 1d. "Closed" means the effective date of the termination or  
11           expiration of a dealership's or outlet's license or franchise, whichever is earlier.

NOTE: Recreates a definition previously contained in s. 218.01 (3) (f) 4. a., for proper  
placement consistent with current style.

12           **SECTION 287.** 218.015 of the statutes is renumbered 218.0171, and 218.0171

13           (1) (c) and (e), as renumbered, are amended to read:

14           218.0171 (1) (c) "Manufacturer" means a manufacturer as defined in s. 218.01  
15           ~~(1) (L)~~ 218.0101 (20) and agents of the manufacturer, including an importer, a  
16           distributor, factory branch, distributor branch and any warrantors of the  
17           manufacturer's motor vehicles, but not including a motor vehicle dealer.

18           (e) "Motor vehicle dealer" has the meaning given under s. ~~218.01 (1) (n)~~  
19           218.0101 (23) (a).

20           **SECTION 288.** 218.017 of the statutes is renumbered 218.0172, and 218.0172

21           (1) (b), (c), (d) and (e), as renumbered, are amended to read:

1           218.0172 (1) (b) "Consumer" has the meaning given in s. ~~218.015~~ 218.0171 (1)

2           (b).

3           (c) "Manufacturer" has the meaning given in s. ~~218.015~~ 218.0171 (1) (c).

4           (d) "Motor vehicle" has the meaning given in s. ~~218.015~~ 218.0171 (1) (d).

5           (e) "Motor vehicle dealer" means a motor vehicle dealer, as defined in s. ~~218.01~~

6           ~~(1) (n)~~ 218.0101 (23) (a), that sells new motor vehicles.

7           **SECTION 289.** 218.12 (5) of the statutes is amended to read:

8           218.12 (5) The provision of s. ~~218.01 (3)~~ 218.0116 relating to the denial,  
9           suspension and revocation of a motor vehicle salesperson's license shall apply to the  
10          denial, suspension and revocation of a mobile home salesperson's license so far as  
11          applicable, except that such provision does not apply to the denial, suspension or  
12          revocation of a license under sub. (3m).

13          **SECTION 290.** 218.12 (6) of the statutes is amended to read:

14          218.12 (6) The provisions of s. ~~218.01 (3) (g) and (5)~~ ss. 218.0116 (9) and  
15          218.0152 shall apply to this section, mobile home sales practices and the regulation  
16          of travel trailer or mobile home salespersons, as far as applicable.

17          **SECTION 291.** 218.205 (2) (a) of the statutes is amended to read:

18          218.205 (2) (a) Motor vehicle dealers licensed under s. ~~218.01 (2)~~ 218.0114 who  
19          remove, but do not sell, as such, parts of motor vehicles prior to sale of such vehicles  
20          to motor vehicle salvage dealers or scrap metal processors.

21          **SECTION 292.** 218.21 (1m) of the statutes is amended to read:

22          218.21 (1m) The department may not require information relating to the  
23          applicant's solvency or financial standing if the applicant provides a bond in the  
24          amount provided in sub. (4) and under conditions specified in s. ~~218.01 (2) (h) 2.~~  
25          218.0114 (20) (b).



1           **SECTION 293.** 218.21 (4) (a) of the statutes is amended to read:

2           218.21 (4) (a) Unless the applicant furnishes a bond, or other adequate  
3 collateral as security, of not less than \$25,000 under conditions provided by s. ~~218.01~~  
4 ~~(2) (h) 2. 218.0114 (20) (b)~~, every application shall be accompanied by a current  
5 financial statement to determine the applicant's solvency as required under sub. (1).  
6 Except as provided in par. (b), this paragraph does not apply to the application of a  
7 scrap metal processor.

8           **SECTION 294.** 218.21 (6) of the statutes is amended to read:

9           218.21 (6) A bond may be required under conditions as provided by s. ~~218.01~~  
10 ~~(2) (h) 2. 218.0114 (20) (b)~~.

11           **SECTION 295.** 218.22 (1) (intro.) of the statutes is amended to read:

12           218.22 (1) (intro.) The department shall issue a license to the applicant for a  
13 motor vehicle salvage dealer's license upon the receipt of a properly completed  
14 application form accompanied by the fee required under sub. (2) (c) or (d), upon being  
15 satisfied that the applicant is financially solvent or that the applicant has furnished  
16 a bond, or other adequate collateral as security, of not less than \$25,000 under  
17 conditions provided by s. ~~218.01 (2) (h) 2. 218.0114 (20) (b)~~, and of good character and:

18           **SECTION 296.** 218.22 (3) (m) of the statutes is amended to read:

19           218.22 (3) (m) Having sold a retail instalment contract to a sales finance  
20 company not licensed under s. ~~218.01~~ ss. 218.0101 to 218.0163.

21           **SECTION 297.** 218.22 (5) of the statutes is amended to read:

22           218.22 (5) No salvage dealer licensed under ss. 218.205 to 218.23 shall be  
23 licensed as a dealer under s. ~~218.01 (2) 218.0114~~ at his or her salvage dealer location,  
24 provided that nothing herein shall prohibit licensing and transacting of both

1 businesses at the same location where the salvage operations are physically  
2 separated.

3 **SECTION 298.** 218.40 (3) of the statutes is amended to read:

4 218.40 (3) "Moped dealer" means any person, firm or corporation, who is  
5 engaged wholly or in part in the business of selling mopeds. ~~Provided, however,~~  
6 ~~except~~ that a person, firm or corporation who is also a motor vehicle dealer under s.  
7 ~~218.01 ss. 218.0101 to 218.0163~~ shall be governed and regulated by the provisions  
8 of s. ~~218.01 ss. 218.0101 to 218.0163~~ and not this section.

9 **SECTION 299.** 218.505 of the statutes is amended to read:

10 **218.505 Salvage pools to be licensed as wholesalers.** No motor vehicle  
11 salvage pool may engage in business as such unless licensed as a wholesaler under  
12 s. ~~218.01 ss. 218.0101 to 218.0163~~.

13 **SECTION 300.** 220.285 (1) of the statutes is amended to read:

14 220.285 (1) Any state bank, trust company bank, licensee under s. ~~ss. 138.09,~~  
15 ~~138.12, 218.01 218.0101 to 218.0163,~~ 218.02, 218.04 or 218.05 or ch. 217 may cause  
16 any or all records kept by such bank or licensee to be recorded, copied or reproduced  
17 by any photostatic, photographic or miniature photographic process or by optical  
18 imaging if the process employed correctly, accurately and permanently copies,  
19 reproduces or forms a medium for copying, reproducing or recording the original  
20 record on a film or other durable material. A bank or licensee may thereafter dispose  
21 of the original record after first obtaining the written consent of the division. This  
22 section, excepting that part of it which requires written consent of the division, is  
23 applicable to national banking associations insofar as it does not contravene federal  
24 law.

25 **SECTION 301.** 227.43 (1) (bg) of the statutes is amended to read:

1           227.43 (1) (bg) Assign a hearing examiner to preside over any hearing or review  
2           under ss. 84.30 (18), 84.31 (6) (a), 85.013 (1), 86.073 (3), 86.16 (5), 86.195 (9) (b), 86.32  
3           (1), 114.134 (4) (b), 114.135 (9), 114.20 (19), 175.05 (4) (b), 194.145 (1), 194.46, ~~218.01~~  
4           ~~(2) (bd) 2. and (e) 2., (3) (b), (e), (f) 1., (fm) 1. and (h) and (3e) (d) 218.0114 (7) (d) and~~  
5           ~~(12) (b), 218.0116 (2), (4), (7) (a), (8) (a) and (10), 218.0131 (3), 218.11 (7) (a) and (b),~~  
6           218.22 (4) (a) and (b), 218.32 (4) (a) and (b), 218.41 (4), 218.51 (5) (a) and (b), 341.09  
7           (2m) (d), 342.26, 343.69 and 348.25 (9).

8           **SECTION 302.** 340.01 (11) (d) of the statutes is amended to read:

9           340.01 (11) (d) A finance company licensed under ~~ss.~~ ss. 138.09 or ~~218.01~~  
10          218.0101 to 218.0163 who sells or offers for sale motor vehicles repossessed or  
11          foreclosed by it under the terms of a security contract.

12          **SECTION 303.** 340.01 (28e) of the statutes is amended to read:

13          340.01 (28e) "Manufacturers buyback vehicle" means a motor vehicle  
14          repurchased by its manufacturer, or by an authorized distributor or dealer with  
15          compensation from the manufacturer, because of a nonconformity that was not  
16          corrected after a reasonable attempt to repair the nonconformity under s. ~~218.015~~  
17          218.0171 or under a similar law of another state.

18          **SECTION 304.** 340.01 (35e) of the statutes is amended to read:

19          340.01 (35e) "Motor vehicle dealer" has the meaning given in s. ~~218.01 (1) (n)~~  
20          218.0101 (23) (a).

21          **SECTION 305.** 340.01 (74t) of the statutes is amended to read:

22          340.01 (74t) "Wholesaler" has the meaning given in s. ~~218.01 (1) (e)~~ 218.0101  
23          (6).

24          **SECTION 306.** 341.51 (6) of the statutes is amended to read:

1           341.51 (6) A person licensed under ~~s. 218.01~~ ss. 218.0101 to 218.0163 or 218.41  
2 as a dealer, distributor or manufacturer of only mopeds may, but need not, apply for  
3 registration under this section.

4           **SECTION 307.** 341.57 (1) of the statutes is amended to read:

5           341.57 (1) Any motor vehicle owned or being repossessed by a finance company  
6 licensed under ~~s. ss. 138.09 or 218.01~~ 218.0101 to 218.0163, by a credit union licensed  
7 under ch. 186, by a savings bank organized under ch. 214, by a savings and loan  
8 association organized under ch. 215 or by a state bank or a national bank with offices  
9 in this state, may be operated on the highways of this state for any necessary purpose  
10 in repossessing, reconditioning or reselling such vehicle without such vehicle being  
11 registered if the vehicle has displayed upon it a valid registration plate issued to such  
12 licensee pursuant to this section.

13           **SECTION 308.** 341.57 (2) of the statutes is amended to read:

14           341.57 (2) A finance company licensed under ~~s. ss. 138.09 or 218.01~~ 218.0101  
15 to 218.0163, a credit union licensed under ch. 186, a savings bank organized under  
16 ch. 214, a savings and loan association organized under ch. 215 or a state bank or a  
17 national bank with offices in this state may apply to the department for registration  
18 on such form as the department provides. Upon receipt of the application together  
19 with a registration fee of \$75, the department shall register the applicant and shall  
20 issue one registration plate containing the registration number assigned to the  
21 applicant. The department, upon receiving a fee of \$5 for each additional plate  
22 desired by the applicant, shall issue additional plates as the applicant orders.  
23 Section 341.52 applies to the design of the plates. The registration and plates are  
24 valid only during the calendar year for which issued. A plate is transferable from one

1 motor vehicle to another. The department may charge a fee of \$2 per plate for  
2 replacing lost, damaged or illegible plates issued under this subsection.

3 **SECTION 309.** 342.12 (3) (a) of the statutes is amended to read:

4 342.12 (3) (a) The applicant is a dealer licensed under ~~s. 218.01~~ ss. 218.0101  
5 to 218.0163 or 218.11 and is financially responsible as substantiated by the last  
6 financial statement on file with the licensor, a finance company licensed under ~~s. ss.~~  
7 138.09 or ~~218.01~~ 218.0101 to 218.0163, a bank organized under the laws of this state,  
8 or a national bank located in this state; or

9 **SECTION 310.** 342.18 (4) (a) of the statutes is amended to read:

10 342.18 (4) (a) Whenever application therefor accompanied by the required fee  
11 is made by a finance company licensed under ~~s. ss. 138.09 or 218.01~~ 218.0101 to  
12 218.0163, a bank organized under the laws of this state, or a national bank located  
13 in this state, and the vehicle in question is a used vehicle for which the department  
14 had issued a certificate of title to the previous owner or a vehicle previously  
15 registered in another jurisdiction or is a mobile home.

16 **SECTION 311.** 344.572 (2) of the statutes is amended to read:

17 344.572 (2) Sections 344.574, 344.576 and 344.578 do not apply to a rental  
18 agreement under which a person rents from a motor vehicle dealer licensed under  
19 ~~s. 218.01~~ ss. 218.0101 to 218.0163 a private passenger vehicle owned by the dealer  
20 if the private passenger vehicle is rented only for use while a vehicle owned or leased  
21 by the person or which the person has agreed to purchase is being serviced, repaired,  
22 manufactured or delivered.

23 **SECTION 312.** 345.11 (1g) of the statutes is amended to read:

1           345.11 (1g) The uniform traffic citation may be used for violations of ss. ~~218.01~~  
2       ~~(2) (a) 218.0114 (1)~~ and 218.205 (1). The report of conviction shall be forwarded to  
3       the department.

4           **SECTION 313.** 345.11 (5) of the statutes is amended to read:

5           345.11 (5) Notwithstanding any other provision of the statutes, the use of the  
6       uniform traffic citation promulgated under sub. (4) by any peace officer in connection  
7       with the enforcement of any state traffic laws, any local traffic ordinances in strict  
8       conformity with the state traffic laws or s. ~~218.01 (2) (a) 218.0114 (1)~~ or 218.205 (1)  
9       shall be deemed adequate process to give the appropriate court jurisdiction over the  
10      person upon the filing with or transmitting to the court of the uniform traffic citation.

11          **SECTION 314.** 422.201 (3) of the statutes is amended to read:

12          422.201 (3) For licensees under s. 138.09 and under s. ~~218.01~~ ss. 218.0101 to  
13      218.0163, the finance charge, calculated according to those sections, may not exceed  
14      the maximums permitted in ss. 138.09 and ~~218.01~~ 218.0101 to 218.0163,  
15      respectively.

16          **SECTION 315.** 422.202 (3) (c) of the statutes is amended to read:

17          422.202 (3) (c) A merchant may not, in the same transaction, be subject to the  
18      penalty in s. 138.09 (9) (b), ~~218.01 (8) 218.0161~~ or 425.305 and the penalty in s.  
19      425.304, based on the assessment of the same additional charges.

20          **SECTION 316.** 425.301 (4) of the statutes is amended to read:

21          425.301 (4) The liability of a merchant under chs. 421 to 427 is in lieu of and  
22      not in addition to any liability under the federal consumer credit protection act and  
23      s. ~~ss. 138.09 or 218.01~~ 218.0101 to 218.0163. An action by a person alleging a  
24      violation under chs. 421 to 427 may not be maintained if a final judgment has been  
25      rendered for or against that person with respect to the same violation under the

1 federal consumer credit protection act or ~~s. ss. 138.09 or 218.01~~ 218.0101 to 218.0163.  
2 If a final judgment is entered against any merchant under chs. 421 to 427 and the  
3 federal consumer credit protection act or ~~s. ss. 138.09 or 218.01~~ 218.0101 to 218.0163  
4 for the same violation, the merchant has a cause of action for appropriate relief to  
5 the extent necessary to avoid double liability.

6 **SECTION 317.** 429.102 (1) of the statutes is amended to read:

7 429.102 (1) To the extent that ~~s. 218.01~~ ss. 218.0101 to 218.0163 and chs. 411  
8 and 421 to 427 are inconsistent with this chapter, the provisions of this chapter shall  
9 apply.

10 **SECTION 318.** 429.102 (2) of the statutes is amended to read:

11 429.102 (2) Unless superseded by the particular provisions of this chapter,  
12 parties to a motor vehicle consumer lease have all of the obligations, duties, rights  
13 and remedies provided in ~~s. 218.01~~ ss. 218.0101 to 218.0163 and chs. 411 and 421 to  
14 427 that apply to the transaction.

15 **SECTION 319.** 429.104 (13m) of the statutes is amended to read:

16 429.104 (13m) "Gross capitalized cost" means the sum of all amounts  
17 capitalized in the consumer lease that, after subtracting the capitalized cost  
18 reduction, amortizes to the residual value by the depreciation portion of the periodic  
19 lease payments over the scheduled term of the lease or, for a single-payment lease,  
20 the single payment. These amounts may include taxes; fees for registration, license,  
21 acquisition, administration and assignment; other fees; charges for insurance,  
22 service contracts and extended warranties; and charges for a waiver of the  
23 contractual obligation to pay the gap amount, for accessories and their installation,  
24 for other services and benefits incidental to the consumer lease, and for delivering,  
25 servicing, repairing or improving the vehicle. With respect to a vehicle or other

1 property traded in connection with a consumer lease, the term may include the  
2 outstanding unpaid balance of the amount financed under a consumer loan, as  
3 defined in s. 421.301 (12), or a retail instalment contract, as defined in s. ~~218.01 (1)~~  
4 ~~(+)~~ 218.0101 (32), or the unpaid balance of any early termination costs under a lease  
5 or other obligation of the lessee. The term does not include any rent charge.

6 **SECTION 320.** 429.104 (19) of the statutes is amended to read:

7 429.104 (19) "Motor vehicle" has the meaning given in s. ~~218.01 (1) (m)~~  
8 218.0101 (22).

9 **SECTION 321.** 429.104 (21) of the statutes is amended to read:

10 429.104 (21) "Prospective lessee" means a natural person who enters into a  
11 prelease agreement under s. ~~218.01 (6x)~~ 218.0144 with a prospective lessor, or who  
12 otherwise intends to become a lessee.

13 **SECTION 322.** 429.104 (21m) of the statutes is amended to read:

14 429.104 (21m) "Prospective lessor" means a person regularly engaged in the  
15 business of leasing or selling vehicles who enters into a prelease agreement under  
16 s. ~~218.01 (6x)~~ 218.0144 with a prospective lessee, or who otherwise intends to become  
17 a lessor.

18 **SECTION 323.** 429.301 (2) of the statutes is amended to read:

19 429.301 (2) If a party to a consumer lease recovers damages or penalties under  
20 this chapter for an act or omission, the party may not recover any damages or  
21 penalties for the same act or omission under s. ~~218.01~~ ss. 218.0101 to 218.0163 or chs.  
22 411 and 421 to 427.

23 **SECTION 324.** 553.235 (2) (a) of the statutes is amended to read:



1           553.235 (2) (a) The exemption under sub. (1) is not available for the sale of a  
2       franchise in which the franchisee would be a motor vehicle dealer or a motor vehicle  
3       distributor or wholesaler, as defined in s. ~~218.01 (1)~~ 218.0101.

4        **SECTION 325.** 632.32 (2) (b) 1. of the statutes is amended to read:

5            632.32 (2) (b) 1. A motor vehicle dealer, as defined in s. ~~218.01 (1) (n)~~ 218.0101  
6            (23) (a).

7       **SECTION 326.** 779.85 (3) of the statutes is amended to read:

8            779.85 (3) "Goods" has the meaning set forth in s. 402.105 (1) (c) except that  
9            this term does not include a "motor vehicle" as defined in s. ~~218.01 (1) (m)~~ 218.0101  
10          (22).

11 (END)

# SUBMITTAL FORM

**LEGISLATIVE REFERENCE BUREAU**  
**Legal Section Telephone: 266-3561**  
**5th Floor, 100 N. Hamilton Street**

The attached draft is submitted for your inspection. Please check each part carefully, proofread each word, and sign on the appropriate line(s) below.

Date: 2/23/99

To: Revisor of Statutes

Relating to LRB drafting number: LRB-1086

**Topic**

99 rb 3 revisor's bill

**Subject(s)**

State Government - miscellaneous, Transportation - mot veh dealers, Fin. Inst. - banking inst.

1. **JACKET** the draft for introduction

in the **Senate** ☒ or the **Assembly** ☐ (check only one). Only the requester under whose name the drafting request is entered in the LRB's drafting records may authorize the draft to be submitted. Please allow one day for the preparation of the required copies.

2. **REDRAFT.** See the changes indicated or attached \_\_\_\_\_.

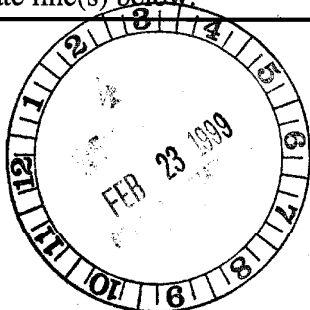
A revised draft will be submitted for your approval with changes incorporated.

3. Obtain **FISCAL ESTIMATE NOW**, prior to introduction \_\_\_\_\_.

If the analysis indicates that a fiscal estimate is required because the proposal makes an appropriation or increases or decreases existing appropriations or state or general local government fiscal liability or revenues, you have the option to request the fiscal estimate prior to introduction. If you choose to introduce the proposal without the fiscal estimate, the fiscal estimate will be requested automatically upon introduction. It takes about 10 days to obtain a fiscal estimate. Requesting the fiscal estimate prior to introduction retains your flexibility for possible redrafting of the proposal.

If you have any questions regarding the above procedures, please call 266-3561. If you have any questions relating to the attached draft, please feel free to call me.

K. Scott Hubli, Administrative Services Manager  
Telephone: (608) 266-0135



*Lawrence R. ... FOR LAW REVISION COMMITTEE*